OFFERING MEMORANDUM **CONFIDENTIAL**

€600,000,000

CROWN HOLDINGS, INC.

Crown European Holdings S.A.

3.375% Senior Notes due 2025

Unconditionally Guaranteed By

Crown Holdings, Inc.

Crown European Holdings S.A. ("Crown European Holdings" or the "issuer") is offering €600 million aggregate principal amount of its 3.375% senior notes due 2025 (the "notes"). The issuer is an indirect wholly-owned subsidiary of Crown Holdings, Inc. ("Crown").

Interest on the notes will accrue from and including the original issue date of the notes and will be payable on May 15 and November 15 of each year, beginning on November 15, 2015. The notes will mature on May 15, 2025. The issuer may redeem some or all of the notes prior to November 15, 2024 at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date and a "make-whole" premium, as described in this offering memorandum. The notes will be redeemable at any time on or after November 15, 2024 at a redemption price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date. If Crown or the issuer experiences a change of control repurchase event, the issuer may be required to offer to purchase notes from holders.

The notes will be the issuer's senior unsecured debt and will rank equal in right of payment to all of the issuer's existing and future senior debt. The notes will be guaranteed (the "guarantees") on an unsecured basis by (i) Crown and, subject to applicable law and exceptions described herein, each of Crown's subsidiaries in the United States, Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Switzerland and Spain that are obligors under Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, the issuer or another guarantor and (ii) subject to applicable law and exceptions described herein, each of the issuer's subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, the issuer or another guarantor or are otherwise obligors under Crown's senior secured credit facilities which as of the issue date of the notes is expected to include certain subsidiaries organized under the laws of France, Germany, Mexico and the Netherlands (the "guarantors"). The validity and enforceability of the guarantees and the liability of the guarantors will be subject to the limitations described in "Description of the Notes—Certain Bankruptcy and Fraudulent Transfer Limitations."

The guarantees will rank equal in right of payment to all existing and future senior debt of Crown and such guarantors.

The issuer intends to submit an application to list the notes on the Official List of the Luxembourg Stock Exchange and to trade the notes on the Euro MTF Market (the "Euro MTF"). If such application is made, no assurances can be given that listing will be obtained. Prospective purchasers are advised to check the listing status with the trustee.

Investing in the notes involves risks. See "Risk Factors" beginning on page 21.

The notes have not been and will not be registered under the United States federal securities laws or the securities laws of any other place. The initial purchasers named below are offering the notes only to qualified institutional buyers under Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act") and to persons outside the United States under Regulation S under the Securities Act. See "Notice to Investors" and "Notices to Certain European Residents" for additional information about eligible offerees and transfer restrictions.

Price: 100.000% plus accrued interest, if any, from and including the issue date.

The issuer expects that delivery of the notes will be made in book-entry form through the facilities of Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream") on or about May 5, 2015.

Joint Physical Book-Running Managers

BNP PARIBAS **BofA Merrill Lynch**

Joint Book-Running Managers

Banco Bilbao Vizcaya Argentaria, S.A. **Crédit Agricole CIB** **Deutsche Bank**

HSBC **Santander** **Wells Fargo Securities** **UniCredit Bank**

Co-Managers

Barclays **Mizuho Securities** **Scotiabank** **TD Securities**

The date of this offering memorandum is April 28, 2015.

This offering memorandum is not an offer to sell the notes, and we are not soliciting an offer to buy the notes, in any jurisdiction in which the offer or sale is prohibited. We are incorporated under the laws of France. Certain of the guarantors are organized under the laws of various jurisdictions outside the Unites States. Each reference to “offering memorandum” herein shall include the information incorporated by reference into the offering memorandum. See “Incorporation of Documents by Reference.”

This offering memorandum has been prepared by the issuer based on information it has obtained from sources the issuer believes to be reliable. Summaries of documents contained in this offering memorandum may not be complete; the issuer will make copies of actual documents available to you upon request. None of the issuer, the guarantors nor the initial purchasers represent that the information herein is complete. The information in this offering memorandum is current only as of the date on the cover, and the issuer’s or Crown’s business or financial condition and other information in this offering memorandum may change after that date. You should consult your own legal, tax and business advisors regarding an investment in the notes. Information in this offering memorandum is not legal, tax or business advice.

You should base your decision to invest in the notes solely on information contained or incorporated by reference in this offering memorandum. None of the issuer, the guarantors or the initial purchasers have authorized anyone to provide you with any different information.

Contact the initial purchasers with any questions concerning this offering or to obtain documents or additional information to verify the information in this offering memorandum.

The issuer is offering the notes in reliance on an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under “Notice to Investors.” You may be required to bear the financial risk of an investment in the notes for an indefinite period. Neither the issuer, the guarantors nor the initial purchasers are making an offer to sell the notes in any jurisdiction where the offer and sale of the notes is prohibited. None of the issuer, the guarantors or the initial purchasers make any representation to you that the notes are a legal investment for you.

Each prospective purchaser of the notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the issuer, the guarantors nor the initial purchasers shall have any responsibility therefor.

The information set out in relation to sections of this offering memorandum describing clearing arrangements, including the section entitled ‘‘Book-Entry; Delivery and Form’’, is subject to any change in, or reinterpretation of, the rules, regulations and procedures of Euroclear or Clearstream currently in effect. While we accept responsibility for accurately summarizing the information concerning Euroclear and Clearstream, we accept no further responsibility in respect of such information. Euroclear and Clearstream are not under any obligation to perform or continue to perform under such clearing arrangements and such arrangements may be modified or discontinued by any of them at any time. We will not, nor will any of our agents, have responsibility for the performance of the respective obligations of Euroclear and Clearstream or their respective participants. Investors wishing to use these clearing systems are advised to confirm the continued applicability of these arrangements.

The notes will be available initially only in book-entry form. We expect that the notes sold pursuant to this offering memorandum will be issued in the form of one or more global notes, which will be deposited with, or on behalf of, a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream. Beneficial interests in the global notes will be shown on, and transfers of beneficial interests in the global notes will be effected only through, records maintained by Euroclear and Clearstream and their direct and indirect participants, as applicable. After the initial issuance of the global notes, notes in certificated form will be issued in exchange for the global notes only as set forth in the indenture governing the notes. See ‘‘Book-Entry; Delivery and Form.’’

Neither the United States Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the notes or determined if this offering memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

The issuer has prepared this offering memorandum solely for use in connection with the offer of the notes to qualified institutional buyers under Rule 144A and to persons outside the United States under Regulation S. You agree that you will hold the information contained in this offering memorandum and the transactions contemplated hereby in confidence. You may not distribute this offering memorandum to any person, other than a person retained to advise you in connection with the purchase of the notes. The issuer and the initial purchasers may reject any offer to purchase the notes in whole or in part, sell less than the entire principal amount of the notes offered hereby or allocate to any purchaser less than all of the notes for which it has subscribed.

THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED, WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICES TO CERTAIN EUROPEAN RESIDENTS

European Economic Area

Each initial purchaser has represented and agreed that it has not made and will not make an offer of notes to the public in a Member State of the European Economic Area ("EEA") other than:

A. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

B. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representatives; or

C. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require the issuer or the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This offering memorandum has been prepared on the basis that any offer of the notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce and publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of the EEA of notes which are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for the issuer or any of the initial purchasers to produce and publish a prospectus that is compliant with the Prospectus Directive in relation to such offer, including Article 3. Neither the issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for the issuer or the initial purchasers to publish a prospectus for such offer.

For the purpose of the above provisions, the expression “an offer of notes to the public” in relation to any notes in any Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that Member State of the EEA by any measure implementing the Prospectus Directive in that Member State of the EEA and the expression “Prospectus Directive” means Directive 2003/71/EC as amended and includes any relevant implementing measure in each relevant Member State of the EEA.

United Kingdom

This offering memorandum is for distribution only to, and is directed solely at, persons who (i) are outside the United Kingdom, (ii) are investment professionals, as such term is defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Financial Promotion Order”), (iii) are persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this offering memorandum or any of its contents.

Austria

This offering memorandum has not been or will not be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz*) as amended. Neither this offering memorandum nor any other document connected therewith constitutes a prospectus according to the Austrian Capital Markets Act and neither this offering memorandum nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria. No steps may be taken that would constitute a public offering of the notes in Austria and the offering of the notes may not be advertised in Austria. Any offer of the notes in Austria will only be made in compliance with the provisions of the Austrian Capital Markets Act and all other laws and regulations in Austria applicable to the offer and sale of the notes in Austria.

Belgium

The terms and conditions relating to this offering memorandum have not been approved by and will not be submitted for approval to the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers* / *Autoriteit voor Financiële Diensten en Markten*) for purposes of public offering or sale in Belgium. Accordingly, the notes may not be offered or sold to the public in Belgium, directly or indirectly, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, Belgium, except in circumstances which do not constitute a public offer of securities to the public, subject to prospectus requirements, in accordance with the Belgian law of June 16, 2006 on public offerings of securities (*Loi relative aux offres de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés* / *Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt*).

France

This offering memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities in France within the meaning of Article L. 411-1 of the French *Code Monétaire et Financiers* and Title I of Book II of the *Règlement Général* of the *Autorité des marchés financiers* (the French financial markets authority, or "AMF"). The notes may not be, directly or indirectly, offered or sold to the public in France (*offre au public de titres financiers*), and neither this offering memorandum nor any other offering or marketing material relating to the notes may be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France. The notes may only be offered or sold in France to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with Articles L.411-1, L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*. Prospective investors are informed that: (i) neither this offering memorandum, nor any other materials relating to the notes, has been and will be submitted for clearance to the AMF; (ii) in compliance with Articles L. 411-2, D. 411-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code Monétaire et Financier*, any qualified investors subscribing for the notes should be acting for their own account; and (iii) the direct and indirect distribution or sale to the public of the notes acquired by them may be made in compliance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 through L. 621-8-3 of the French *Code Monétaire et Financier*.

Germany

The notes may not be offered and sold to the public, except in accordance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*) or any other laws applicable in Germany governing the issue, offering and sale of securities. This offering memorandum has not been and will not be submitted to, nor has it been and will not be approved by, the *Bundesanstalt für Finanzdienstleistungsaufsicht*, the German Financial Services Supervisory Authority. The notes must not be distributed within Germany by way of a public offer, public advertisement or in any similar manner, and this offering memorandum and any other document relating to the notes, as well as information contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of notes to the public in Germany. Consequently, in Germany, the notes will only be available to, and this offering memorandum and any other offering material in relation to the notes are directed only at, persons who are qualified investors (*qualifiizierte Anleger*) within the meaning of Section 2 No. 6 of the Securities Prospectus Act. This offering memorandum and other offering materials relating to the offer of notes are strictly confidential and may not be distributed to any person or entity other than the recipients hereof.

Grand Duchy of Luxembourg

The terms and conditions relating to this offering memorandum have not been approved by and will not be submitted for approval to the Luxembourg financial supervisory authority (*Commission de Surveillance du Secteur Financier*) for purposes of public offering or sale in the Grand Duchy of Luxembourg ("Luxembourg"). Accordingly, the notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, Luxembourg, except in circumstances which do not constitute a public offer of securities to the public, subject to prospectus requirements, in accordance with the Luxembourg law of July 10, 2005, as amended from time to time, on prospectuses for securities.

Italy

The offering of the notes has not been registered pursuant to Italian securities legislation and, accordingly, no notes may be offered, sold or delivered, nor may copies of this offering memorandum or of any other document relating to the notes be distributed in Italy, except:

(i) to qualified investors (*investitori qualificati*), pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the "Financial Services Act") and as defined in Article 34-ter, first paragraph, letter b) of *Commissione Nazionale per le Società e la Borsa* ("CONSOB") Regulation No. 11971 of May 14, 1999, as amended from time to time ("Regulation No. 11971"); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the notes or distribution of copies of this offering memorandum or any other document relating to the notes in Italy under (i) or (ii) above must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree No. 385 (the "Banking Act"), the Financial Services Act of September 1, 1933, as amended, CONSOB Regulation No. 16190 of October 29, 2007 (as amended from time to time) and any other applicable law and regulations;

(b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy; and

(c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy or any other Italian authority.

Spain

This offering has not been registered with the *Comisión Nacional del Mercado de Valores* and therefore the notes may not be offered in Spain by any means, except in circumstances which do not qualify as a public offer of securities in Spain in accordance with article 30 bis of the Securities Market Act ("*Ley 24/1988, de 28 de julio del Mercado de Valores*") as amended and restated, or pursuant to an exemption from registration in accordance with article 41 of the Royal Decree 1310/2005 ("*Real Decreto 1310/2005, de 4 de noviembre por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*").

Switzerland

The notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this offering memorandum nor any other offering or marketing material relating to the notes constitutes a prospectus according to Article 652a or Article 1156 of the Swiss Code of Obligations or a listing prospectus according to the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland.

The Netherlands

The notes have not, may not and will not be offered to the public in the Netherlands, other than exclusively to qualified investors (*gekwalificeerde beleggers*) as defined in section 1:1 of the Dutch Act on the financial supervision (*Wet op het financieel toezicht* or the "AFS"). Each purchaser of notes described in this offering memorandum located in the Netherlands will be deemed to have represented, acknowledged and agreed that it is a qualified investor (*gekwalificeerde beleggers*) as defined in section 1:1 of the AFS.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any notes in the Netherlands means to make a sufficiently specific offer addressed to more than one person as referred to in section 217(1) of Book 6 of the Dutch Civil Code to conclude a contract to purchase or otherwise acquire the notes, or to issue an invitation to make an offer of the notes.

LISTING

Crown European Holdings intends to submit an application to list the notes on the Official List of the Luxembourg Stock Exchange and to trade the notes on the Euro MTF. If Crown European Holdings submits such application, there can be no guarantee that the application will be approved and the notes will be accepted for listing as of the settlement date for the notes or at any time thereafter, and settlement of the notes is not conditional on obtaining this admission to trading. In the course of any review by the Luxembourg Stock Exchange, we may be requested to make changes to the financial and other information included in this offering memorandum. Comments by the competent authority may require significant modification or reformulation of information contained in this offering memorandum or may require the inclusion of additional information, including additional financial information in respect of Crown European Holdings or the guarantors. We may also be required to update the information in this offering memorandum to reflect changes in our business, financial condition or results of operations and prospects. We cannot guarantee that our application to list the notes on the Official List of the Luxembourg Stock Exchange and for admission of the notes to trading on the Euro MTF will be approved as of the issue date for the notes or any date thereafter, and settlement of the notes is not conditioned on obtaining this listing. Each prospective purchaser of the notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither we nor the initial purchasers shall have any responsibility therefor.

MARKETS, RANKING AND OTHER DATA

The data included in this offering memorandum regarding markets and ranking, including the position of Crown, Empaque (as defined herein) and Crown's competitors within these markets, are based on independent industry publications, reports of government agencies or other published industry sources and the estimates of Crown based on its management's knowledge and experience in the markets in which it operates. Crown's estimates have been based on information obtained from customers, suppliers, trade and business organizations and other contacts in the markets in which it operates. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While Crown believes that each of these studies and publications is reliable, neither Crown nor the initial purchasers have independently verified such data and neither Crown nor the initial purchasers make any representation as to the accuracy of such information. Similarly, Crown believes its internal research is reliable but it has not been verified by any independent sources.

SERVICE OF PROCESS AND ENFORCEMENT OF LIABILITIES

Crown European Holdings and certain guarantors are organized and established under the laws of France. The indenture governing the notes, the notes and the guarantees will be governed by New York law. Certain directors and executive officers of the issuer and the French guarantors may be non-residents of the United States and a substantial portion of their assets is located outside of the United States.

As a result, any judgment obtained in the United States against the issuer and the French guarantors, including judgments with respect to the payment of principal, premium (if any) and interest on the notes or any judgment of a U.S. court predicated upon civil liabilities under U.S. federal or state securities laws, may not be collectible in the United States.

Furthermore, although the issuer and the French guarantors will appoint an agent for service of process in the United States and will submit to the jurisdiction of New York courts, in each case, in connection with any action in relation to the notes and the indenture governing the notes or under U.S. securities laws, it may not be possible for investors to effect service of process on the issuer or the directors and the executive officers mentioned above within the United States or to enforce, in courts outside of the United States, judgments against those persons obtained in United States courts, whether or not based upon the civil liability provisions of the federal securities laws of the United States.

If a judgment is obtained in a U.S. court against the issuer or the French guarantors, investors will need to enforce such judgment in France. Even though the enforceability of U.S. court judgments in France is described below, you should consult with your own advisors as needed to enforce a judgment in France or elsewhere outside the United States.

The United States and France are not parties to a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. federal or state securities laws, enforceable in the United States, would not directly be recognized or enforceable in France.

A party in whose favor such judgment was rendered could initiate recognition and enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) which has exclusive jurisdiction over the matter.

Enforcement in France of such U.S. judgment could be obtained following proper (*i.e.*, non ex-parte) proceedings if the competent French court is satisfied that the following cumulative conditions have been met (which conditions, under prevailing French case law as of the date of this offering memorandum, do not include a review by the French courts of the merits of the foreign judgment):

- such U.S. judgment was rendered by a court having jurisdiction over the matter in accordance with French rules of international conflicts of jurisdiction (including, without limitation, whether the dispute is clearly connected to the United States and the choice of the U.S. court was not fraudulent) and the French courts did not have exclusive jurisdiction over the matter;
- such U.S. judgment does not contravene French international public policy rules or mandatory provisions of French law, both pertaining to the merits and to the procedure of the case, including principles of defense rights;
- such U.S. judgment is not tainted with fraud under French law (for example, the parties submitted their dispute to a foreign court in order to intentionally avoid the application of French law);

- such U.S. judgment does not conflict with a French judgment or foreign judgment which has become effective in France and there are no proceedings pending before French courts at the time enforcement of the judgment is sought or pending and having the same or similar subject matter as such U.S. judgment; and
- such U.S. judgment must be enforceable in the United States and, in certain circumstances, final. Under French law, a judgment is deemed to be final where it is not subject to appeal or to a motion to vacate.

If the French civil court is satisfied that such conditions are met, the U.S. judgment will benefit from the res judicata effect as of the date of the decision of the French civil court and will thus be declared enforceable in France. However, the decision granting the exequatur can be appealed.

In addition, the discovery process under actions filed in the United States could be adversely affected under certain circumstances by French criminal law No. 68-678 of July 26, 1968, as modified by French law No. 80-538 of July 16, 1980 and French Ordinance No. 2000-916 of September 19, 2000 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons), which could prohibit or restrict obtaining evidence in France or from French persons in connection with a U.S. judicial or administrative action or in contemplation thereof. Pursuant to the regulations mentioned above, the U.S. authorities would have to comply with international (the 1970 Hague Convention on the Taking of Evidence Abroad) or French procedural rules to obtain evidence in France or from French persons.

Similarly, French data protection rules (law No. 78-17 of January 6, 1978 on data processing, data files and individual liberties, as most recently modified by French Ordinance No. 2011-1012 of August 24, 2011) can limit, under certain circumstances, the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context.

Furthermore, if an original action is brought in France, French courts may refuse to apply foreign law designated by the applicable French rules of conflict (including the law chosen by the parties to govern their contract) if overriding mandatory provisions of French law (*lois de police)* are applicable or if the application of such law (in the case at hand) is deemed (i) to contravene French international public policy (as determined on a case-by-case basis by French courts) (ii) to constitute a fraudulent evasion of the law (*fraude à la loi*) or (iii) to be impossible (if the content of the foreign law cannot be proven). Furthermore, in an original action brought in France predicated solely upon the U.S. federal or state securities laws, French courts may not have the requisite jurisdiction to adjudicate such action, notably French courts may not have the requisite power to grant all the remedies sought.

Pursuant to articles 14 and 15 of the French Civil Code, a French national (either a company or an individual) can sue a foreign defendant before French courts in connection with the performance of obligations contracted by the foreign defendant in France with a French person or in a foreign country with French persons (Article 14) and can be sued by a foreign claimant before French courts in connection with the performance of obligations contracted by the French national in a foreign country with a foreign claimant (Article 15). For a long time, case law has interpreted these provisions as meaning that a French national, either claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to recent case law, French nationals may be sued before foreign court that has sufficient contacts with the litigation and the choice of jurisdiction is not fraudulent. In addition, French nationals may waive their rights to benefit from the provisions of Articles 14 and 15 of the French Civil Code, including without limitation, by way of conduct by voluntarily appearing before the foreign court.

The French Supreme Court (*Cour de cassation*) held in 2012 that a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction was invalid on the ground that it was discretionary (*potestative*). Accordingly, any provisions to the same effect in any relevant documents would not be binding on the party submitted to the exclusive jurisdiction of the court or prevent a French party from bringing an action before the French courts.

The notes will be the issuer's senior unsecured debt and will rank equal in right of payment to all of the issuer's existing and future senior debt. The notes will be guaranteed on an unsecured basis by (i) Crown and, subject to applicable law and exceptions described herein, each of Crown's subsidiaries in the United States, Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Switzerland and Spain that are obligors under Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, the issuer or another guarantor and (ii) subject to applicable law and exceptions described herein, each of the issuer's subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, the issuer or another guarantor or are otherwise obligors under Crown's senior secured credit facilities which as of the issue date of the notes is expected to include certain subsidiaries organized under the laws of France, Germany, Mexico and the Netherlands. The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries but are expected to become guarantors thereof, and, if such guarantees are provided, will guarantee the notes on an unsecured senior basis. The laws of the jurisdiction of organization of each such guarantor, and the laws of any jurisdiction in which assets are located, may also limit or prevent investors from effecting service of process, enforcing the obligations of such guarantors, or pursuing other remedies against such guarantors.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Information

General. The financial information included in this offering memorandum has been derived from:

- our audited consolidated financial statements as of December 31, 2013 and 2014 and for the years ended December 31, 2012, 2013 and 2014, together with the notes thereto, prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), which are included in this offering memorandum;
- our audited consolidated financial statements which are not included in this offering memorandum with respect to the balance sheet data as of December 31, 2012; and
- audited combined financial statements of Fábricas Monterrey, S.A. de C.V., Cierres Herméticos, S.A. de C.V., Terrestratégicos, S.A. de C.V., Prolatamex, S.A. de C.V., Sílices de Veracruz, S.A. de C.V., Glass & Sílice, S.A. de C.V. and Sílice del Istmo, S.A. de C.V. (collectively referred to herein as "Empaque Mexico"), as of and for the years ended December 31, 2014 and 2013, prepared in accordance with Mexican financial reporting standards ("MFRS"), which are included in this offering memorandum.

Our audited consolidated financial statements have been audited by PricewaterhouseCoopers LLP ("PricewaterhouseCoopers"), our independent registered public accounting firm. The report of PricewaterhouseCoopers appears elsewhere in this offering memorandum.

Empaque Mexico's audited combined financial statements have been audited by KPMG Cárdenas Dosal, S.C. ("KPMG"). The report of KPMG appears elsewhere in this offering memorandum.

U.S. GAAP and MFRS. The financial statements of Crown included in this offering memorandum have been prepared in accordance with U.S. GAAP. The financial statements of Empaque Mexico included in this offering memorandum have been prepared in accordance with MFRS. MFRS differs in some material respects from U.S. GAAP, so Empaque Mexico's financial information may not be comparable to the financial statements of Crown or other companies that use U.S GAAP. Except for the limited reconciliation included under "Summary Historical and Adjusted Consolidated Condensed Financial Data", we do not include a reconciliation of any financial statements or other financial information of Empaque Mexico to U.S. GAAP in this offering memorandum. See the footnotes to "Summary Historical and Adjusted Consolidated Condensed Financial Data" for details regarding the impact of differences between U.S. GAAP and MFRS.

Currency and other Information

In this offering memorandum, references to "$", "U.S. dollars", "USD" and "dollars" are to United States dollars, references to "€" or "euro" are to euros, and references to "Mexican pesos," "pesos" or "Ps." are to Mexican pesos.

This offering memorandum contains translations of certain euro and peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the euro or peso amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rates indicated, at any particular rate or at all.

Unless otherwise noted, all financial data presented herein is stated in U.S. dollars.

Rounding. Certain figures included in this offering memorandum have been rounded for ease of presentation. Percentage figures included in this offering memorandum have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in our consolidated financial statements. Certain other amounts that appear in this offering memorandum may not sum due to rounding.

Other Information. We own or have rights to use the trademarks, service marks and trade names that we use in conjunction with the operation of our business. Solely for convenience, we may refer to our trademarks, service marks and trade names in this offering memorandum without the ™ and ® symbols, but such references are not intended to indicate in any way that we will not assert, to the fullest extent permitted under applicable law, our rights to our trademarks, service marks and trade names.

SPECIAL NOTE REGARDING NON-GAAP FINANCIAL MEASURES

This offering memorandum makes reference to certain non-GAAP financial measures, namely EBITDA and Adjusted EBITDA. These non-GAAP measures are not recognized measures under U.S. GAAP, do not have a standard meaning prescribed by U.S. GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement U.S. GAAP measures by providing further understanding of Crown's results of operations from management's perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of our financial information reported under U.S. GAAP.

We calculate EBITDA as net income before income taxes and equity earnings plus the sum of interest expense (net of interest income) and depreciation and amortization. We calculate Adjusted EBITDA as EBITDA plus the sum of provision for asbestos, restructuring and other, loss from early extinguishments of debt, fair value adjustment to inventory, loss on transfer of financial asset, timing impact of hedge ineffectiveness and foreign exchange. For a reconciliation of EBITDA to income from continuing operations, and of Adjusted EBITDA to EBITDA, see "Summary—Summary Historical and Adjusted Consolidated Condensed Financial Data."

We have included EBITDA and Adjusted EBITDA to provide investors with a supplemental measure of our operating performance. We believe EBITDA and Adjusted EBITDA are important supplemental measures of operating performance because they eliminate items that may have less bearing on our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on U.S. GAAP financial measures. We also believe that securities analysts, investors and other interested parties frequently use EBITDA in the evaluation of issuers, many of which present EBITDA when reporting their results.

Our management also uses EBITDA and Adjusted EBITDA in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess our ability to meet our future debt service, capital expenditure and working capital requirements.

A limitation associated with EBITDA and Adjusted EBITDA is that they do not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in Crown's business. Any measure that eliminates components of Crown's capital structure and costs associated with carrying significant amounts of assets on its balance sheet has material limitations as a performance measure. Management evaluates the costs of such tangible and intangible assets through other financial measures such as capital expenditures. In addition, in evaluating EBITDA and Adjusted EBITDA, you should be aware that the adjustments may vary from period to period and in the future Crown will incur expenses such as those used in calculating these measures. Furthermore, EBITDA and Adjusted EBITDA, as calculated by Crown, may not be comparable to calculations of similarly titled measures by other companies. In light of the foregoing limitations, Crown does not rely solely on EBITDA and Adjusted EBITDA as performance measures and also considers its results as calculated in accordance with U.S. GAAP. For purposes of the covenants in the indenture governing the notes, EBITDA is defined differently, and for purposes of our credit facility and for calculating goodwill impairment, Adjusted EBITDA is defined differently.

This offering memorandum also makes reference to segment income and free cash flow, which are not defined terms under U.S. GAAP. In addition, the information presented in this offering memorandum excluding the impact of currency translation, and regarding net income before certain items does not conform to U.S. GAAP and includes non-GAAP measures. These non-GAAP measures should not be considered in isolation or as a substitute for net income or cash flow data prepared in accordance with U.S. GAAP and may not be comparable to calculations of similarly titled measures by other companies.

We view segment income and free cash flow as the principal measures of performance of our operations and for the allocation of resources. Free cash flow has certain limitations, however, including that it does not represent the residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure. The amount of non-discretionary versus discretionary expenditures can vary significantly between periods. We believe that net income before certain items is useful in evaluating Crown's operations. For reconciliations to segment income, free cash flow and net income before certain items see "Summary—Recent Developments."

FORWARD-LOOKING STATEMENTS

Statements included in this offering memorandum that are not historical facts (including any statements concerning plans and objectives of management for future operations or economic performance, or assumptions related thereto) are "forward-looking statements" within the meaning of the U.S. federal securities laws. Forward-looking statements can be identified by words, such as "believes," "estimates," "anticipates," "expects" and other words of similar meaning in connection with a discussion of future operating or financial performance. These may include, among others, statements relating to:

- this offering and the use of proceeds therefrom described in this offering memorandum, and Crown's ability to implement it on the terms described herein;
- Crown's plans or objectives for future operations, products or financial performance;
- Crown's indebtedness and other contractual obligations;
- the impact of an economic downturn or growth in particular regions;
- anticipated uses of cash;
- cost reduction efforts and expected savings;
- Crown's policies with respect to executive compensation; and
- the expected outcome of contingencies, including with respect to asbestos-related litigation and pension and postretirement liabilities.

These forward-looking statements are made based upon Crown's expectations and beliefs concerning future events impacting it and, therefore, involve a number of risks and uncertainties. Crown cautions that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

Important factors that could cause the actual results of operations or financial condition of Crown to differ include, but are not necessarily limited to:

- the ability of Crown to expand successfully in international and emerging markets;
- whether the acquisition of Empaque will be accretive to Crown's earnings;
- whether the sales and profits of Empaque will continue to grow;
- whether the combination of Crown and Empaque will provide benefits to customers and shareholders;
- whether the operations of Empaque can be successfully integrated into the Crown's operations;
- the ability of Crown to repay, refinance or restructure its short and long-term indebtedness on adequate terms and to comply with the terms of its agreements relating to debt;
- the impact of the recent European Sovereign debt crisis;
- Crown's ability to generate significant cash to meet its obligations and invest in its business and to maintain appropriate debt levels;
- restrictions on Crown's use of available cash under its debt agreements;
- changes or differences in U.S. or international economic or political conditions, such as inflation or fluctuations in interest or foreign exchange rates (and the effectiveness of any currency or interest rate hedges), tax rates and tax laws (including with respect to taxation of unrepatriated non-U.S. earnings or as a result of the depletion of net loss or foreign tax credit carryforwards);
- the impact of healthcare reform in the United States;

- the impact of foreign trade laws and practices;
- the collectability of receivables;
- war or acts of terrorism that may disrupt Crown's production or the supply or pricing of raw materials, including in Crown's Middle East operations, impact the financial condition of customers or adversely affect Crown's ability to refinance or restructure its remaining indebtedness;
- changes in the availability and pricing of raw materials (including aluminum can sheet, steel tinplate, energy, water, inks and coatings) and Crown's ability to pass raw material, energy and freight price increases and surcharges through to its customers or to otherwise manage these commodity pricing risks;
- Crown's ability to obtain and maintain adequate pricing for its products, including the impact on Crown's revenue, margins and market share and the ongoing impact of price increases;
- energy and natural resource costs;
- the cost and other effects of legal and administrative cases and proceedings, settlements and investigations;
- the outcome of asbestos-related litigation (including the number and size of future claims and the terms of settlements, and the impact of bankruptcy filings by other companies with asbestos-related liabilities, any of which could increase the asbestos-related costs of Crown Cork & Seal Company, Inc., a subsidiary of Crown ("Crown Cork") over time, the adequacy of reserves established for asbestos-related liabilities, Crown Cork's ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the impact of state legislation dealing with asbestos liabilities and any litigation challenging that legislation and any future state or federal legislation dealing with asbestos liabilities);
- Crown's ability to realize deferred tax benefits;
- changes in Crown's critical or other accounting policies or the assumptions underlying those policies;
- labor relations and workforce and social costs, including Crown's pension and postretirement obligations and other employee or retiree costs;
- investment performance of Crown's pension plans;
- costs and difficulties related to the acquisition of a business and integration of acquired businesses, including the integration of Empaque;
- the impact of any potential dispositions, acquisitions or other strategic realignments, which may impact Crown's operations, financial profile, investments or levels of indebtedness;
- Crown's ability to realize efficient capacity utilization and inventory levels and to innovate new designs and technologies for its products in a cost-effective manner;
- competitive pressures, including new product developments, industry overcapacity, or changes in competitors' pricing for products;
- Crown's ability to achieve high capacity utilization rates for its equipment;
- Crown's ability to maintain, develop and capitalize on competitive technologies for the design and manufacture of products and to withstand competitive and legal challenges to the proprietary nature of such technology;
- Crown's ability to protect its information technology systems from attacks or catastrophic failure;
- the strength of Crown's cyber-security;
- Crown's ability to generate sufficient production capacity;

- Crown's ability to improve and expand its existing product and product lines;
- the impact of overcapacity on the end-markets Crown serves;
- loss of customers, including the loss of any significant customers;
- changes in consumer preferences for different packaging products;
- the financial condition of Crown's vendors and customers;
- weather conditions, including their effect on demand for beverages and on crop yields for fruits and vegetables stored in food containers;
- the impact of natural disasters, including in emerging markets;
- changes in governmental regulations or enforcement practices, including with respect to environmental, health and safety matters and restrictions as to foreign investment or operation;
- the impact of increased governmental regulation on Crown and its products, including the regulation or restriction of the use of bisphenol-A;
- the impact of Crown's recent initiatives to generate additional cash, including the reduction of working capital levels and capital spending;
- the ability of Crown to realize cost savings from its restructuring programs;
- Crown's ability to maintain adequate sources of capital and liquidity;
- costs and payments to certain of Crown's executive officers in connection with any termination of such executive officers or a change in control of Crown;
- the impact of existing and future legislation regarding refundable mandatory deposit laws in Europe for non-refillable beverage containers and the implementation of an effective return system; and
- changes in Crown's strategic areas of focus, which may impact Crown's operations, financial profile or levels of indebtedness.

Some of the factors noted above are discussed elsewhere in this offering memorandum. In addition, other factors have been or may be discussed from time to time in Crown's filings with the SEC. While Crown periodically reassesses material trends and uncertainties affecting its results of operations and financial condition, Crown does not intend to review or revise any particular forward-looking statement in light of future events.

[THIS PAGE INTENTIONALLY LEFT BLANK]

SUMMARY

The following summary should be read in connection with, and is qualified in its entirety by, the more detailed information and financial statements (including the accompanying notes) appearing elsewhere in this offering memorandum. See "Risk Factors" for a discussion of certain factors that should be considered in connection with this offering. Unless the context otherwise requires: (i) "Crown" refers to Crown Holdings, Inc. and its subsidiaries on a consolidated basis; (ii) "Crown Cork" refers to Crown Cork & Seal Company, Inc. and not its subsidiaries; (iii) "Crown European Holdings" refers to Crown European Holdings S.A. and not its subsidiaries; (iv) "Crown Americas" refers to Crown Americas LLC and not its subsidiaries; (v) "Mivisa" refers to Adularia Inversiones 2010, S.L.U., the sole shareholder of Mivisa Envases, S.A.U. and its subsidiaries on a consolidated basis and (vi) "Empaque" refers collectively to FAMOSA B.V., SIVESA B.V. and SISA Mexico B.V. and their subsidiaries, and "Empaque Mexico" refers collectively to the subsidiaries Fábricas Monterrey, S.A. de C.V., Cierres Herméticos, S.A. de C.V., Terrestratégicos, S.A. de C.V., Prolatamex, S.A. de C.V., Sílices de Veracruz, S.A. de C.V., Glass & Sílice, S.A. de C.V. and Sílice del Istmo, S.A. de C.V.

Crown Holdings, Inc.

Crown is a worldwide leader in the design, manufacture and sale of packaging products for consumer goods. Crown's primary products include steel and aluminum cans for food, beverage, household and other consumer products and metal vacuum closures and caps. These products are manufactured in Crown's plants both within and outside the United States and are sold through Crown's sales organization to the soft drink, food, citrus, brewing, household products, personal care and various other industries. At December 31, 2014, Crown operated 149 plants along with sales and service facilities throughout 40 countries and had approximately 23,000 employees.

For the fiscal year ended December 31, 2014, Crown had net sales of approximately $9,097 million and Adjusted EBITDA (a non-GAAP measure that is defined in "—Summary Historical and Adjusted Consolidated Condensed Financial Data") of $1,194 million, without giving effect to the Empaque acquisition. Approximately 76% of such net sales were derived from operations outside the United States, of which 64% of these non-U.S. revenues were derived from operations in the European Division, in the fiscal year ended December 31, 2014.

The following chart demonstrates the breadth of Crown's product portfolio and its geographic presence by division:

	Americas	Europe	Asia-Pacific
Food cans	*	*	*
Beverage cans	*	*	*
Aerosol cans	*	*	*
Specialty cans	*	*	*
Glass bottles	*		
Closures and caps	*	*	*
Can-making equipment		*	

Divisions and Operating Segments

Crown's business is organized geographically within three divisions: Americas, Europe and Asia Pacific. Within each division, Crown is generally organized along product lines. Crown's reportable segments within the Americas Division are Americas Beverage and North America Food. Crown's reportable segments within the European Division are European Beverage and European Food. Crown's Asia Pacific Division is a reportable segment which primarily consists of beverage can operations and also includes Crown's non-beverage can operations, primarily food cans and specialty packaging. Crown's non-reportable segments include its European specialty packaging business, its aerosol can businesses in North America and Europe and its tooling and equipment operations in the United States and United Kingdom.

Business Strengths

Crown's principal strength lies in its ability to meet the changing needs of its global customer base with products and processes from a broad range of well-established packaging businesses. Crown believes that it is well-positioned within the packaging industry because of its:

- *Global leadership positions.* Crown is a leading producer of food, beverage and aerosol cans and of closures in North America, Europe and Asia. Crown maintains its leadership through an extensive geographic presence, with 149 plants located throughout the world as of December 31, 2014. Its large manufacturing base allows Crown to service its customers locally while achieving significant economies of scale.
- *Strong customer base.* Crown provides packaging to many of the world's leading consumer products companies. Major customers include Anheuser-Busch InBev, Coca-Cola, Cott Beverages, Heineken, Mars, Nestlé, Pepsi-Cola, Procter & Gamble, SC Johnson and Unilever, among others. These consumer products companies represent generally stable businesses that provide consumer staples such as soft drinks, alcoholic beverages, foods and household products. In addition, Crown has long-standing relationships with many of its largest customers.
- *Broad and diversified product base.* Crown produces a wide array of products differentiated by type, purpose, size, shape and benefit to customers. Crown is not dependent on any specific product market since no product in any one geographical region represents a substantial share of total revenues.
- *Business and industry fundamentals.* Fundamental changes in its business, including price increases, cost reduction initiatives and working capital reductions, have improved Crown's business outlook.
- *Technological leadership resulting in superior new product and process development.* Crown believes that it possesses the technology, processes and research, development and engineering capabilities to allow it to provide innovative and value-added packaging solutions to its customers, as well as to design cost-efficient manufacturing systems and materials.
- *Financially disciplined management team.* Crown's current executive leadership is focused on improving profit and increasing free cash flow.
  - All levels of Crown's management are committed to minimizing capital employed in their respective businesses.
  - Crown is prudent about its capital spending, attempting to pursue projects that provide an adequate return. In place of high capital spending, Crown attempts to maximize the usefulness of all assets currently employed.

Business Strategy

Crown has several key business strategies:

- *Grow in targeted markets.* Crown plans to capitalize on its leading food, beverage and aerosol can positions by targeting geographic areas with strong growth potential. Crown believes that it is well-positioned to take advantage of the growth potential in Southern and

Eastern Europe with numerous food and beverage can plants already established in those markets. In addition, as a leading packaging supplier to the Middle Eastern, Southeast Asian and Latin American markets, Crown will work to benefit from the anticipated growth in the consumption of consumer goods in these regions. Crown may consider acquisitions to grow its business (within developed or developing markets).

- *Increase margins through ongoing cost reductions*. Crown plans to continue to reduce manufacturing costs, enhance efficiencies and drive return on invested capital through investments in equipment and technology and through improvements in productivity and material usage and by maintaining a disciplined approach to managing supplier contracts.
- *Maximize cash flow generation.* Crown has established performance-based incentives to increase its free cash flow and operating income. In recent years Crown has used free cash flow to complete acquisitions, invest in emerging markets and repurchase Crown common stock, and Crown may in the future use free cash flow to complete acquisitions, invest in emerging or developed markets, repurchase stock or to fund regular dividend payments on Crown common stock.
  - Crown uses the economic profit concept in connection with its executive compensation program, which requires each business unit to exceed prior year's returns on the capital that it employs.
  - Crown will continue to attempt to focus its capital expenditures on projects that provide an adequate return.
- *Serve the changing needs of the world's leading consumer products companies through technological innovation.* Crown intends to capitalize on the demand of its customers for higher value-added packaging products. By continuing to improve the physical attributes of its products, such as strength of materials and graphics, Crown plans to further improve its existing customer relationships, as well as attract new customers.

Recent Developments

Empaque Acquisition

In February 2015, Crown completed its acquisition of Empaque, a leading manufacturer for the beverage industry in Mexico, from affiliates of Heineken N.V., in a cash transaction valued at $1.2 billion subject to a purchase price adjustment. Accompanying the transaction are long-term supply agreements with Heineken affiliates. The addition of Empaque significantly increases Crown's presence in Mexico and enhances Crown's strategic position in beverage cans, both regionally and globally.

In October 2014, Crown amended its credit agreement to provide financing for the acquisition of Empaque. In February 2015, Crown Americas borrowed $75 million of additional Term Loan A and $675 million of Term Loan B under its credit facilities to complete the acquisition. The interest rate on the Term Loan A facility is LIBOR plus 1.75% and the maturity date is in December 2018. The interest rate on the Term Loan B facility is LIBOR plus 3.25%, subject to a LIBOR floor of 0.75%, and the maturity date is in February 2022. The net proceeds from the offering of the notes, together with other available funds (which may include borrowings under Crown's revolving credit facility), will be used to repay Crown Americas's Term Loan B facility, to pay fees and expenses associated with the offering of the notes and for general corporate purposes.

First Quarter Results

On April 16, 2015, Crown publicly announced its unaudited financial results for the three months ended March 31, 2015.

Net sales in the first quarter grew to $1,997 million over the $1,993 million in the first quarter of 2014, primarily due to the impact of the Mivisa and Empaque acquisitions offset by $172 million of unfavorable currency translation impact.

Segment income (defined by Crown as gross profit, excluding the impact of fair value adjustments to inventory acquired in an acquisition and the timing impact of hedge ineffectiveness, less selling and administrative expense) was $192 million in the first quarter compared to $200 million in the first quarter of 2014, and included $16 million of unfavorable currency translation impact primarily due to the strength of the U.S. dollar against the euro.

Interest expense increased to $65 million in the first quarter of 2015 over the $58 million in 2014 primarily due to increased borrowings to fund the Empaque and Mivisa acquisitions.

Net income attributable to Crown Holdings in the first quarter was $44 million compared to $24 million in the first quarter of 2014.

Consolidated Statements of Operations (Unaudited)
(in millions)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Net sales	**$ 1,997**	**$ 1,993**
Cost of products sold	1,660	1,661
Depreciation and amortization	51	35
Gross profit(1)	**286**	**297**
Selling and administrative expense	98	104
Restructuring and other	20	52
Foreign exchange	6	6
Interest expense	65	58
Interest income	(2)	(2)
Income before income taxes	**99**	**79**
Provision for income taxes	37	33
Net income	**62**	**46**
Net income attributable to noncontrolling interests	(18)	(22)
Net income attributable to Crown Holdings	**$ 44**	**$ 24**

(1) A reconciliation from gross profit to segment income follows.

Consolidated Supplemental Financial Data (Unaudited)

(in millions)

Reconciliation from Gross Profit to Segment Income

Crown views segment income, as defined below, as a principal measure of performance of its operations and for the allocation of resources. Segment income is defined by Crown as gross profit, excluding the impact of fair value adjustments to inventory acquired in an acquisition and the timing impact of hedge ineffectiveness, less selling and administrative expense.

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Gross profit	$ 286	$ 297
Fair value adjustment to inventory(1)	6	
Impact of hedge ineffectiveness(1)	(2)	7
Selling and administrative expense	(98)	(104)
	$ 192	$ 200

(1) Included in cost of products sold

Segment Information

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Net Sales		
Americas Beverage	$ 617	$ 549
North America Food	160	179
European Beverage	324	388
European Food	431	373
Asia Pacific	310	298
Total reportable segments	1,842	1,787
Non-reportable segments	155	206
Total net sales	**$ 1,997**	**$ 1,993**
Segment Income		
Americas Beverage	$ 85	$ 79
North America Food	24	29
European Beverage	38	59
European Food	42	26
Asia Pacific	35	34
Total reportable segments	224	227
Non-reportable segments	17	24
Corporate and other unallocated items	(49)	(51)
Total segment income	**$ 192**	**$ 200**

Consolidated Supplemental Data (Unaudited)
(in millions)

Reconciliation from Net Income to Net Income before Certain Items

The following table reconciles reported net income attributable to Crown to net income before certain items, as used elsewhere in this offering memorandum.

	Three Months Ended March 31,	
	2015	2014
Net income attributable to Crown Holdings, as reported	$ 44	$ 24
Items:		
Fair value adjustment to inventory(1)	6	
Hedge ineffectiveness(2)	(2)	7
Provision for restructuring and other(3)	20	52
Income taxes(4)	5	(4)
Net income before the above items	$ 73	$ 79
Effective tax rate as reported	37.4%	41.8%
Effective tax rate before the above items	26.0%	26.8%

— Net income before certain items and the effective tax rate before certain items are non-GAAP measures and are not meant to be considered in isolation or as a substitute for net income and effective tax rates determined in accordance with U.S. generally accepted accounting principles. Crown believes these non-GAAP measures provide useful information to evaluate the performance of Crown's ongoing business.

(1) In the first quarter of 2015, Crown recorded a charge of $6 million in cost of products sold for fair value adjustments related to the sale of inventory acquired in its acquisition of Empaque.

(2) In the first quarter of 2015, Crown recorded a benefit of $2 million in cost of products sold related to hedge ineffectiveness caused primarily by volatility in the metal premium component of aluminum prices. In the first quarter of 2014, Crown recorded a charge of $7 million for hedge ineffectiveness.

(3) In the first quarter of 2015, Crown recorded restructuring and other charges of $15 million primarily for costs related to its acquisition of Empaque. In the first quarter of 2014, Crown recorded restructuring and other charges of $8 million.

In the first quarter of 2015, Crown recorded charges of $5 million primarily for asset sales and impairments related to the sale of four industrial specialty packaging plants in Europe. In the first quarter of 2014, Crown recorded charges of $44 million primarily for asset sales and impairments related to the planned divestment of the industrial specialty packaging operations and transaction costs incurred in connection with its acquisition of Mivisa.

(4) In the first quarter of 2015, Crown recorded income tax benefits of $2 million related to the items described above and a charge of $7 million to record a potential liability arising from a recent unfavorable tax court ruling in Spain. In the first quarter of 2014, Crown recorded income tax benefits of $4 million related to the items described above.

Consolidated Balance Sheets (Condensed & Unaudited)
(in millions)

	As of March 31, 2015	As of March 31, 2014
Assets		
Current assets		
Cash and cash equivalents	$ 280	$ 267
Receivables, net	1,039	1,199
Inventories	1,446	1,334
Prepaid expenses and other current assets	312	279
Total current assets	**3,077**	**3,079**
Goodwill and intangible assets	3,746	2,016
Property, plant and equipment, net	2,619	2,160
Other non-current assets	702	630
Total	**$10,144**	**$7,885**
Liabilities and equity		
Current liabilities		
Short-term debt	$ 72	$ 252
Current maturities of long-term debt	172	87
Accounts payable and accrued liabilities	2,369	2,222
Total current liabilities	**2,613**	**2,561**
Long-term debt, excluding current maturities	5,746	3,765
Other non-current liabilities	1,537	1,301
Noncontrolling interests	275	255
Crown Holdings shareholders' equity/(deficit)	(27)	3
Total equity	248	258
Total	**$10,144**	**$7,885**

Consolidated Statements of Cash Flows (Condensed & Unaudited)

(in millions)

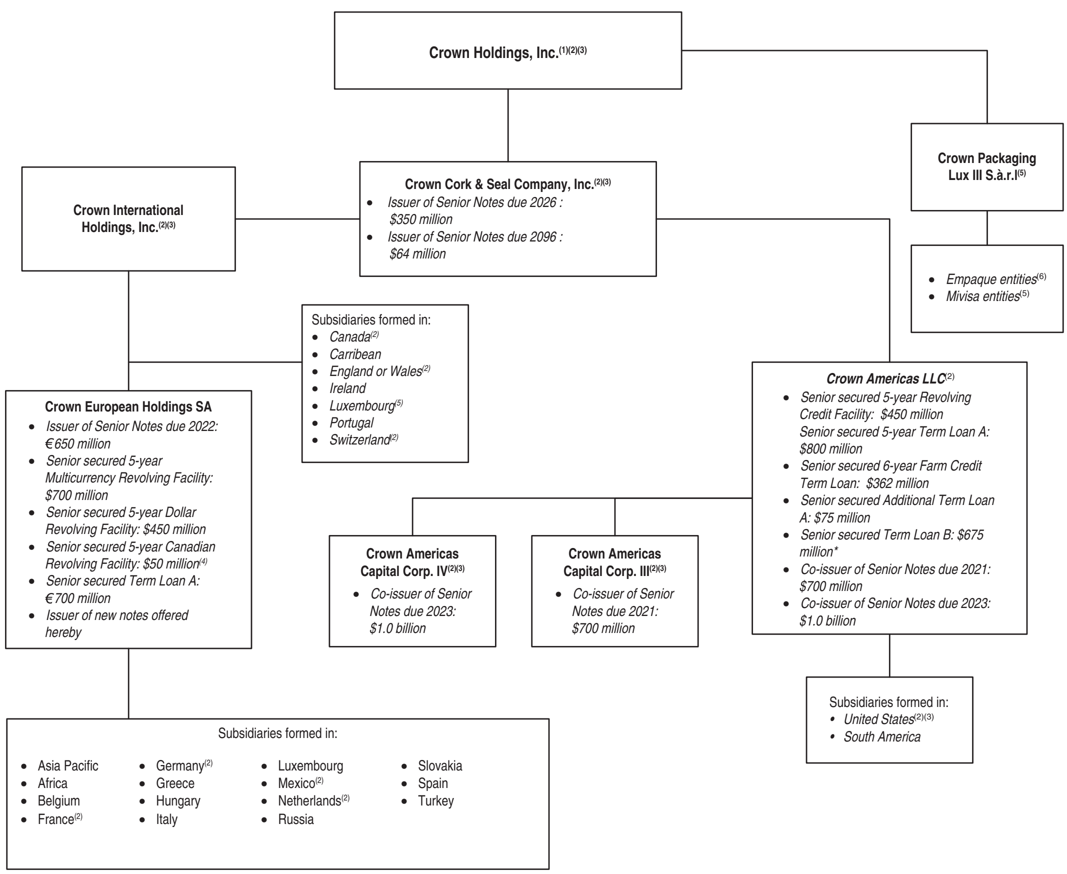
Three months ended March 31,	2015	2014
Cash flows from operating activities		
Net income	$ 62	$ 46
Depreciation and amortization	51	35
Provision for restructuring and other	20	52
Pension expense	11	16
Pension contributions	(17)	(22)
Stock-based compensation	11	9
Working capital changes and other	(425)	(631)
Net cash used for operating activities(A)	**(287)**	**(495)**
Cash flows from investing activities		
Purchase of business	(1,206)	
Capital expenditures	(52)	(84)
Proceeds from sale of business	21	
Other	(9)	11
Net cash used for investing activities	**(1,246)**	**(73)**
Cash flows from financing activities		
Net change in debt	943	259
Dividends paid to noncontrolling interests	(9)	(23)
Purchase of noncontrolling interests		(93)
Other, net	(48)	4
Net cash provided by financing activities	**886**	**147**
Effect of exchange rate changes on cash and cash equivalents	(38)	(1)
Net change in cash and cash equivalents	(685)	(422)
Cash and cash equivalents at January 1	965	689
Cash and cash equivalents at March 31	**$ 280**	**$ 267**

(A) Free cash flow is defined by Crown as net cash used for operating activities less capital expenditures. A reconciliation from net cash used for operating activities to free cash flow for the three months ended March 31, 2015 and 2014 follows:

Three months ended March 31,	2015	2014
Net cash used for operating activities	($287)	($495)
Capital expenditures	(52)	(84)
Free cash flow	($339)	($579)

Organizational Structure

The following chart shows a summary of Crown's current organizational structure, as well as the applicable obligors under the notes offered hereby, other outstanding notes, and Crown's senior secured credit facilities as of the date of this offering memorandum after giving effect to this offering. Crown may modify this corporate structure in the future, subject to the covenants in the indenture governing the notes and compliance with the agreements governing Crown's other outstanding indebtedness. The notes will be guaranteed on an unsecured basis by (i) Crown and, subject to applicable law and exceptions described herein, each of Crown's subsidiaries in the United States, Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Switzerland and Spain that are obligors under Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, the issuer or another guarantor and (ii) subject to applicable law and exceptions described herein, each of the issuer's subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, the issuer or another guarantor or are otherwise obligors under Crown's senior secured credit facilities which as of the issue date of the notes is expected to include certain subsidiaries organized under the laws of France, Germany, Mexico and the Netherlands. The guarantees will rank equal in right of payment to all existing and future senior debt of Crown and such guarantors.



(1) Guarantor of outstanding debentures of Crown Cork.

(2) Guarantors of outstanding senior notes and senior secured credit facilities of Crown European Holdings and its subsidiaries and guarantors of Crown European Holdings' obligations under the notes offered hereby, with the exception of the following U.S. subsidiaries and Mivisa (USA), Inc. (which is among the Mivisa entities discussed in footnote 5 below): (i) Crown Americas Capital Corp., Crown Americas Capital Corp. II, Crown Americas Capital Corp. III and Crown Americas Capital Corp. IV, which guarantee

the senior secured credit facilities but not the outstanding senior notes of Crown European Holdings or the notes offered hereby, and (ii) Crownway Insurance Company and Crown, Cork & Seal Receivables (DE) Corporation, which do not guarantee the senior secured credit facilities, the outstanding senior notes of Crown European Holdings or the notes offered hereby.

(3) Guarantors of the outstanding senior notes of Crown Americas LLC, Crown Americas Capital Corp. III and Crown Americas Capital Corp. IV.

(4) Crown Metal Packaging Canada LP serves as the Canadian borrower.

(5) Guarantors of or otherwise obligors under the senior secured credit facilities of Crown European Holdings and its subsidiaries and guarantors of Crown European Holdings' obligations under the notes offered hereby, with the exception of Adularia Inversiones 2010, S.L.U. These entities are also expected to become guarantors of the outstanding senior notes of Crown European Holdings on or after the settlement date of the notes offered hereby, with the exception of Adularia Inversiones 2010, S.L.U.

(6) The Empaque entities organized in the Netherlands currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries and are expected to guarantee the outstanding senior notes of Crown European Holdings and the notes offered hereby on an unsecured senior basis. The Empaque Mexico entities are expected to become guarantors of the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries and, if such guarantees are provided, to guarantee the outstanding senior notes of Crown European Holdings and the notes offered hereby on an unsecured senior basis.

* The net proceeds from the offering of the notes, together with other available funds (which may include borrowings under Crown's revolving credit facility), will be used to repay Crown Americas's Term Loan B facility, to pay fees and expenses associated with the offering of the notes and for general corporate purposes. See "Use of Proceeds" and "Description of Certain Indebtedness."

Crown is a Pennsylvania corporation. Crown's principal executive offices are located at One Crown Way, Philadelphia, Pennsylvania 19154, and its telephone number is (215) 698-5100. Crown European Holdings (formerly known as CarnaudMetalbox SA) is a *société anonyme* organized under the laws of France. Crown European Holdings is an indirect, wholly-owned subsidiary of Crown.

The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The “Description of the Notes” section of this offering memorandum contains a more detailed description of the terms and conditions of the notes.

Issuer	Crown European Holdings SA, a société anonyme organized under the laws of France (“Crown European Holdings” or the “issuer”).
Notes Offered	€600 million principal amount of 3.375% Senior Notes due 2025.
Maturity	May 15, 2025
Interest	Interest on the notes will accrue from and including the original issue date of the notes and will be payable on May 15 and November 15 of each year commencing on November 15, 2015.
Ranking and Guarantees	The notes will be senior obligations of Crown European Holdings, ranking senior in right of payment to all subordinated indebtedness of Crown European Holdings, and will be unconditionally guaranteed on an unsecured senior basis by (i) Crown and, subject to applicable law and exceptions described herein, each of Crown’s subsidiaries in the United States, Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Switzerland and Spain that are obligors under Crown’s senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, the issuer or another guarantor and (ii) subject to applicable law and exceptions described herein, each of the issuer’s subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, the issuer or another guarantor or are otherwise obligors under Crown’s senior secured credit facilities which as of the issue date of the notes is expected to include certain subsidiaries organized under the laws of France, Germany, Mexico and the Netherlands. The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries but are expected to become guarantors thereof and, if such guarantees are provided, will guarantee the notes on an unsecured senior basis. The notes and note guarantees will be senior unsecured obligations of the issuer and the guarantors, • effectively subordinated to all existing and future secured indebtedness of the issuer and the guarantors, including any borrowings under Crown’s senior secured credit facilities, to the extent of the value of the assets securing such indebtedness;

	• structurally subordinated to all indebtedness of Crown's subsidiaries that do not guarantee the notes offered hereby; • ranking equal in right of payment to any existing or future senior unsecured indebtedness of the issuer and the guarantors; and • ranking senior in right of payment to all existing and future subordinated indebtedness of the issuer and the guarantors.
	Upon the release of any note guarantor from each of its guarantee and other obligations which resulted in the requirement to guarantee the notes offered hereby, unless there is existing a default or event of default under the indenture governing the notes, the guarantee of the notes by such note guarantor will also be released.
	As of December 31, 2014, giving adjusted effect to this offering and the anticipated use of proceeds therefrom and effect to the Empaque acquisition and related borrowings, Crown and its subsidiaries had approximately $6.1 billion of indebtedness, including $2.1 billion of secured indebtedness and $354 million of additional indebtedness of non-guarantor subsidiaries.
Additional Indebtedness	Crown and the issuer may be able to incur additional debt in the future. Although Crown's senior secured credit facilities contain restrictions on Crown's ability to incur indebtedness, those restrictions are subject to a number of exceptions.
Net Sales and Adjusted EBITDA from Non-Guarantors	For the fiscal year ended December 31, 2014, without giving effect to the Empaque acquisition, the non-guarantor subsidiaries of Crown represented in the aggregate approximately 47.7% of consolidated net sales (calculated using $4,343 million of net sales by non-guarantor subsidiaries for the fiscal year ended December 31, 2014 (not including net sales of the Empaque Mexico entities), divided by Crown's total consolidated net sales of $9,097 million for the fiscal year ended December 31, 2014).
	For the fiscal year ended December 31, 2014, without giving effect to the Empaque acquisition, the non-guarantor subsidiaries of Crown represented in the aggregate approximately 50.0% of consolidated Adjusted EBITDA (calculated using $597 million of Adjusted EBITDA from non-guarantor subsidiaries for the fiscal year ended December 31, 2014 (not including Adjusted EBITDA of the Empaque Mexico entities), divided by Crown's total consolidated Adjusted EBITDA of $1,194 million for the fiscal year ended December 31, 2014). See page 18 of this offering memorandum for a definition of Adjusted EBITDA.
	The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European

	Holdings and its subsidiaries but are expected to become guarantors thereof and, if such guarantees are provided, will guarantee the notes on an unsecured senior basis.
Optional Redemption	The issuer may redeem some or all of the notes prior to November 15, 2024 at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date and a "make-whole" premium, as set forth under "Description of the Notes—Optional Redemption." The notes will be redeemable at any time on or after November 15, 2024 at a redemption price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date.
Redemption for Changes in Withholding Taxes	In the event Crown European Holdings has or would become obligated to pay additional amounts as a result of changes affecting certain withholding tax laws applicable to payments on the notes, Crown European Holdings may redeem all, but not less than all, of the notes at any time at a redemption price equal to 100% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date. See "Description of the Notes—Redemption of Notes for Changes in Withholding Taxes" and "—Additional Amounts."
Change of Control	Upon a "change of control repurchase event" of Crown or Crown European Holdings, as defined under the caption "Description of the Notes—Repurchase at the Option of Holders," you will have the right, as a holder of notes, to require Crown European Holdings to repurchase all or part of your notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.
Additional Amounts	All payments made by Crown European Holdings or any guarantor with respect to the notes will be made without withholding or deduction for taxes unless required by law, including by the official interpretation or administration thereof by a relevant taxing authority. Subject to certain exceptions, if any taxes are required to be withheld or deducted from any payment made with respect to the notes, Crown European Holdings or such guarantor will pay such additional amounts as may be necessary so that the net amount received by the holders after such withholding or deduction will not be less than the amount that would have been received in the absence of such withholding or deduction. See "Description of the Notes—Additional Amounts."
Restrictive Covenants	The indenture governing the notes will limit, among other things, Crown's ability and the ability of certain of its

	subsidiaries (including the issuer) to incur secured indebtedness and engage in certain sale and leaseback transactions. These covenants are subject to a number of important exceptions and limitations that are described under the caption "Description of the Notes—Certain Covenants."
Transfer Restrictions	The notes will not be registered under the Securities Act or any state or other securities laws and the notes are subject to restrictions on transfer. See "Notice to Investors."
Listing	The issuer intends to submit an application to list the notes on the Official List of the Luxembourg Stock Exchange and to trade the notes on the Euro MTF. If submitted, there is no guarantee that such application will be approved. See "Listing."
Absence of an Established Market for the Notes	The notes will be a new class of securities for which there is currently no market. Although each of the initial purchasers has informed us that it intends to make a market for the notes, the initial purchasers are not obligated to do so and may discontinue market-making activities at any time without notice. Accordingly, we cannot assure you that a liquid market for the notes will develop or be maintained.
Use of Proceeds	The net proceeds from the offering of the notes, together with other available funds (which may include borrowings under Crown's revolving credit facility), will be used to repay Crown Americas's Term Loan B facility, to pay fees and expenses associated with the offering of the notes and for general corporate purposes. See "Use of Proceeds" and "Description of Certain Indebtedness."
Governing Law	The notes and the indenture governing the notes will be governed by New York law.
Luxembourg Listing Agent	Société Générale Securities Services Luxembourg S.A.
Risk Factors	An investment in the notes involves risks. You should carefully consider all of the information in this offering memorandum. In particular, you should evaluate the specific risk factors set forth under the caption "Risk Factors" in this offering memorandum.

Summary Historical and Adjusted Consolidated Condensed Financial Data

The following table sets forth summary historical and adjusted consolidated condensed financial data for Crown and certain combined financial data as of and for the periods presented. The summary of operations data and other financial data for each of the years in the three-year period ended December 31, 2014 and the balance sheet data as of December 31, 2013 and 2014 have been derived from Crown's audited consolidated financial statements and the notes thereto appearing elsewhere in this offering memorandum. The December 31, 2012 balance sheet data has been derived from Crown's audited consolidated financial statements which do not appear herein. The adjusted financial data gives effect to the issuance of the notes and the expected application of the net proceeds therefrom described under the caption "Use of Proceeds".

The combined financial data give effect to the acquisition of Empaque as if it had occurred on January 1, 2014. The combined financial data combine certain financial data of Crown for the year ended December 31, 2014 with certain financial data of Empaque Mexico for the year ended December 31, 2014. Empaque Mexico's combined financial information was prepared in accordance with MFRS. For information regarding the reconciliation of MFRS to U.S. GAAP, see "—Summary Historical Financial Data for Empaque Mexico." The combined financial information is for informational purposes only and should not be considered indicative of actual results that would have been achieved had the Empaque acquisition actually been consummated on the date indicated and does not purport to indicate our consolidated financial position or results of operations for any future period.

The summary historical and adjusted consolidated condensed financial data for Crown includes the results of Mivisa from the completion of the acquisition on April 23, 2014 and the combined financial data does not give effect to the acquisition of Mivisa as if it had occurred on January 1, 2014.

You should read the following financial information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Crown's audited consolidated financial statements, the related notes and the other financial information included and incorporated by reference in this offering memorandum.

	(dollars in millions)		
	Year Ended December 31,		
	2012	2013	2014
Summary of Operations Data:			
Net sales	$ 8,470	$ 8,656	$ 9,097
Cost of products sold, excluding depreciation and amortization	7,013	7,180	7,525
Depreciation and amortization	180	134	190
Gross profit	1,277	1,342	1,382
Selling and administrative expense	382	425	398
Provision for asbestos	35	32	45
Restructuring and other	—	34	129
Loss from early extinguishments of debt	—	41	34
Interest expense	226	236	253
Interest income	(7)	(5)	(7)
Translation and exchange adjustments	(1)	3	14
Income before income taxes and equity earnings	642	576	516
Provision for/(benefit from) income taxes	(17)	148	41
Equity earnings/(loss) in affiliates	5	—	—
Net Income	664	428	475
Net income attributable to noncontrolling interests	(105)	(104)	(88)
Net income attributable to Crown Holdings	$ 559	$ 324	$ 387
Other Financial Data:			
Net cash flows provided by/(used for):			
Operating activities	$ 621	$ 885	$ 912
Investing activities	(362)	(246)	(1,021)
Financing activities	(254)	(306)	445
EBITDA(1)	1,041	941	952
Adjusted EBITDA(2)	1,075	1,054	1,194
Combined Adjusted EBITDA(3)			1,339
Capital expenditures	324	275	328
Ratio of earnings to fixed charges(4)	3.5x	3.2x	2.9x
Adjusted Financial Data:			
Combined total secured debt(5)			2,105
Combined total debt(6)			6,060
Combined interest expense(7)			287
Ratio of combined total secured debt to combined Adjusted EBITDA			1.6x
Ratio of combined total debt to combined Adjusted EBITDA			4.5x
Ratio of combined Adjusted EBITDA to combined interest expense			4.7x
Balance Sheet Data (at end of period):			
Cash and cash equivalents	$ 350	$ 689	$ 965
Working capital(8)	228	260	698
Total assets	7,500	8,030	9,708
Total debt	3,665	3,842	5,259
Total equity/(deficit)	129	289	387

(1) EBITDA is a non-GAAP measurement that consists of net income before income taxes and equity earnings plus the sum of interest expense (net of interest income) and depreciation and amortization. The reconciliation from income from continuing operations to EBITDA is as follows:

	(dollars in millions) Year Ended December 31,		
	2012	2013	2014
Net Income	$ 664	$ 428	$ 475
Add/(deduct):			
Equity loss/(earnings) in affiliates	(5)	—	—
Provision for/(benefit from) income taxes	(17)	148	41
Interest income	(7)	(5)	(7)
Interest expense	226	236	253
Depreciation and amortization	180	134	190
EBITDA	$ 1,041	$ 941	$ 952

(2) Adjusted EBITDA is a non-GAAP measurement that consists of EBITDA plus the sum of provision for asbestos, restructuring and other, loss from early extinguishments of debt, timing impact of hedge ineffectiveness and foreign exchange. The reconciliation from EBITDA to Adjusted EBITDA is as follows:

	(dollars in millions) Year Ended December 31,		
	2012	2013	2014
EBITDA	$ 1,041	$ 941	$ 952
Add/(deduct):			
Provision for asbestos*	35	32	45
Restructuring and other**	—	37	129
Loss from early extinguishments of debt	—	41	34
Impact of hedge ineffectiveness	—	—	1
Fair value adjustment to inventory	—	—	19
Foreign exchange	(1)	3	14
Adjusted EBITDA	$ 1,075	$ 1,054	$ 1,194

* Crown made asbestos-related payments of $30 million in 2014 and $28 million in each of 2013 and 2012.

** For the year ended December 31, 2013, restructuring and other includes $3 million of transaction costs incurred in connection with Crown's acquisition of Mivisa that were reported in selling and administrative expense in Crown's Consolidated Statement of Operations.

EBITDA and Adjusted EBITDA are provided for illustrative and informational purposes only and do not purport to represent, and should not be viewed as indicative of, Crown's actual or future financial condition or results of operations. EBITDA and Adjusted EBITDA do not represent and should not be considered as alternatives to net income, operating income, net cash provided by operating activities or any other measure of operating performance or liquidity that is calculated in accordance with U.S. GAAP. EBITDA and Adjusted EBITDA information is unaudited and has been included in this offering memorandum because Crown believes that certain analysts, rating agencies and investors may use it as supplemental information to evaluate a company's ability to service its indebtedness and overall operating performance over time. However, EBITDA and Adjusted EBITDA have material limitations as analytical tools and should not be considered in isolation, or as substitutes for analysis of Crown's results as reported under U.S. GAAP. A limitation associated with EBITDA and Adjusted EBITDA is that they do not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in Crown's business. Any measure that eliminates components of Crown's capital structure and costs associated with carrying significant amounts of assets on its balance sheet has material limitations as a performance measure. Management evaluates the costs of such tangible and intangible assets through other financial measures such as capital expenditures. In addition, in evaluating EBITDA and Adjusted EBITDA, you should be aware that the adjustments may vary from period to period and in the future Crown will incur expenses such as those used in calculating these measures. Furthermore, EBITDA and Adjusted EBITDA, as calculated by Crown, may not be comparable to calculations of similarly titled measures by other companies. In light of the foregoing limitations, Crown does not rely solely on EBITDA and Adjusted EBITDA as performance measures and also considers its results as calculated in accordance with U.S. GAAP. For purposes of the covenants in the indenture governing the notes, EBITDA is defined differently, and for purposes of our credit facility and for calculating goodwill impairment, Adjusted EBITDA is defined differently.

(3) Combined EBITDA and combined Adjusted EBITDA are non-GAAP measurements that give effect to the acquisition of Empaque as if it had occurred on January 1, 2014. The reconciliation from combined income from operations to combined EBITDA and from combined EBITDA to combined Adjusted EBITDA is as follows:

	(dollars in millions) Year Ended December 31, 2014 (Unaudited) Crown
Net Income	$ 475
Add/(deduct):	
Equity loss/(earnings) in affiliates	—
Provision for/(benefit from) income taxes	41
Interest income	(7)
Interest expense	253
Depreciation and amortization	190
EBITDA	$ 952
Add/(deduct):	
Provision for asbestos	45
Restructuring and other	129
Loss from early extinguishments of debt	34
Loss on transfer of financial asset	—
Impact of hedge ineffectiveness	1
Fair value adjustment to inventory	19
Foreign exchange	14
Adjusted EBITDA	$ 1,194

	(dollars in millions) Year Ended December 31, 2014 (Unaudited) Empaque Mexico
Net Income	$ 79
Add/(deduct):	
Equity loss/(earnings) in affiliates	—
Provision for/(benefit from) income taxes	33
Interest income	(4)
Interest expense	9
Depreciation and amortization	18
EBITDA	$ 135
Add/(deduct):	
Provision for asbestos	—
Restructuring and other	—
Loss from early extinguishments of debt	—
Loss of transfer of financial asset	7
Impact of hedge ineffectiveness	—
Fair value adjustment to inventory	—
Foreign exchange	3
Adjusted EBITDA	$ 145

	(dollars in millions) Year Ended December 31, 2014 (Unaudited) Combined
Adjusted EBITDA*	$ 1,339

* Investors should be aware that Adjusted EBITDA for Empaque may not be entirely comparable to Crown's measures of Adjusted EBITDA and Historical Combined Adjusted EBITDA. Historical Combined Adjusted EBITDA has not been prepared in accordance with the requirements of Regulation S-X or any other securities laws relating to the presentation of pro forma financial information and is not in compliance with Article 11 of Regulation S-X. Historical Combined Adjusted EBITDA is presented for information purposes only and does not purport to represent what our actual financial position or results or operations would have been if the recently completed acquisitions had been completed as of an earlier date or that may be achieved in the future.

This table excludes any pro forma adjustments related to the combined results of Crown and Empaque. This table also excludes pro forma adjustments related to the acquisition of Mivisa in April 2014 that would be necessary to give effect to the Mivisa acquisition as if it had occurred on January 1, 2014. Crown is in the early stages of completing its purchase price allocation for Empaque. Such pro forma adjustments would typically include the amortization of fair value adjustments recorded as part of acquisition accounting, incremental interest expense associated with borrowings to fund the acquisition and any related income tax effects. The exclusion of these items from net income does not impact combined EBITDA or combined Adjusted EBITDA. For example, if the purchase price allocation results in $50 million of incremental depreciation and amortization, net income would decrease by $50 million but combined EBITDA and combined Adjusted EBITDA would not change. If the purchase price allocation resulted in $100 million of incremental depreciation and amortization, net income would decrease by $100 million but combined EBITDA and combined Adjusted EBITDA would not change.

The combined financial information is unaudited and for informational purposes only and should not be considered indicative of actual results that would have been achieved had the Empaque acquisition actually been consummated on the date indicated and does not purport to indicate our consolidated financial position or results of operations for any future period.

(4) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes and equity earnings plus fixed charges (exclusive of interest capitalized during the period), amortization of interest previously capitalized and distributed income from less-than-50%-owned companies. Fixed charges include interest incurred, expensed and capitalized, amortization of debt issue costs and the portion of rental expense that is deemed representative of an interest factor. For purposes of the covenants in the indenture governing Crown's outstanding notes, the ratio of earnings to fixed charges is defined differently.

(5) Combined total secured debt as of December 31, 2014 is presented after giving effect to the Empaque acquisition and the issuance of the notes and the expected application of the net proceeds therefrom described under the caption "Use of Proceeds" and consists of $875 million of U.S. dollar Term Loan A, $847 million (€700 million) of Euro Term Loan A, $358 million under the farm credit facility and $25 million of other secured indebtedness.

(6) Combined total debt as of December 31, 2014 is presented after giving effect to the Empaque acquisition and the issuance of the notes and the expected application of the net proceeds therefrom described under the caption "Use of Proceeds". Combined total debt of $6,060 million consists of $2,105 million of secured indebtedness, $3,505 million of senior notes including the notes offered hereby and debentures and $354 million of other indebtedness.

(7) Combined interest expense reflects interest on $675 million of indebtedness outstanding under Crown Americas's Term Loan B facility, $75 million of additional Term Loan A and cash on hand for the purchase of Empaque on February 18, 2015. Combined interest expense also reflects the use of proceeds from this offering, together with other available funds (which may include borrowings under Crown's revolving credit facility) to repay the Term Loan B facility and additional borrowings of $380 million to fund seasonal working capital requirements. The interest rate on the Term Loan A facility is LIBOR plus 1.75%. The interest rate on the Term Loan B facility is LIBOR plus 3.25% subject to a LIBOR floor of 0.75%. The LIBOR rate used to calculate adjusted interest expense for the above facility was 0.18%. These amounts would differ, and adjusted total debt and/or secured debt would increase, if Crown uses the proceeds from the offering for general corporate purposes other than repaying indebtedness under the senior secured credit facilities (such as repayment of senior notes).

(8) Working capital consists of current assets less current liabilities.

Summary Historical Financial Data for Empaque Mexico

The following table sets forth summary historical financial data for Empaque Mexico for the year ended December 31, 2014. The summary of operations data for the year ended December 31, 2014 has been derived from Empaque Mexico's audited combined financial statements and the notes thereto appearing elsewhere in this offering memorandum. Empaque Mexico's financial statements for the period referenced were originally prepared in pesos and in accordance with MFRS, which differs in certain material respects from U.S. GAAP. Adjustments made to align Empaque Mexico's financial information prepared under MFRS with Crown's accounting policies and presentation under U.S. GAAP are described in the footnote below. Historical results are not indicative of the results to be expected in the future.

	(in millions) Year Ended December 31, 2014				
	Historical MFRS in pesos	Adjustments to Conform to Crown Presentation and U.S. GAAP in pesos(1)	Historical Adjusted to Crown Presentation and U.S. GAAP in pesos(2)	Foreign Exchange(3)	Historical Adjusted to Crown Presentation and U.S. GAAP in USD
Income Statement Data:					
Net sales	Ps. 9,096	—	9,096	13.29	$ 684
Cost of products sold, excluding depreciation and amortization	7,010	(271)	6,739	13.29	507
Depreciation and amortization	—	244	244	13.29	18
Gross profit	2,086	27	2,113	13.29	159
Selling and administrative expense	494	(59)	435	13.29	32
Interest income	(56)	—	(56)	13.29	(4)
Interest expense	118	—	118	13.29	9
Loss on transfer of financial assets	89	—	89	13.29	7
Foreign exchange	34	—	34	13.29	3
Income before income taxes	1,407	86	1,493	13.29	102
Income tax expense	411	26	437	13.29	33
Net income	996	60	1,056	13.29	79

(1) Adjustments consist of reclassification between line items to be consistent with Crown's presentation under U.S. GAAP and adjustments that reflect the differences between U.S. GAAP and MFRS. The MFRS adjustments consist of (1) the reclassification of Ps.321 million of depreciation, of which Ps.292 million was reported in cost of products sold and Ps.29 million in selling and administrative expenses, (2) the reclassification of Ps.30 million of pension expense from selling and administrative expenses to cost of products sold, (3) the reduction of Ps.9 million in pension expense and (4) the reduction of Ps.77 million in depreciation related to the inflationary adjustments through December 31, 2007 which was required under MFRS.

(2) This table excludes any pro forma adjustments related to the combined results of Crown and Empaque Mexico.

(3) The financial information presented under the column "Historical Adjusted to Crown Presentation and U.S. GAAP in USD" would differ if it had been calculated using the exchange rate as of a more recent date or a weighted average exchange rate for the period presented.

RISK FACTORS

An investment in the notes involves a high degree of risk. You should consider carefully the following risks involved in investing in the notes, as well as the other information contained in this offering memorandum, before deciding whether to purchase the notes.

Risks Related to the Notes

The substantial indebtedness of Crown could prevent it from fulfilling its obligations under its indebtedness, including the notes and the note guarantees.

Crown has substantial outstanding indebtedness. As a result of Crown's substantial indebtedness, a significant portion of Crown's cash flow will be required to pay interest and principal on its outstanding indebtedness, and Crown may not generate sufficient cash flow from operations, or have future borrowings available under its senior secured credit facilities, to enable it to repay its indebtedness, including the notes, or to fund other liquidity needs. As of December 31, 2014, giving adjusted effect to the offering of the notes and the anticipated use of proceeds therefrom and giving adjusted effect to the Empaque acquisition and related borrowings, Crown and its subsidiaries had approximately $6.1 billion of indebtedness, including approximately $2.1 billion of secured indebtedness and $354 million of additional indebtedness of non-guarantor subsidiaries and the ability to borrow $1.2 billion under Crown's senior secured revolving credit facilities. Crown's ratio of earnings to fixed charges, without giving effect to the Empaque acquisition or this offering, was 2.9 times for the year ended December 31, 2014. Crown intends to use the net proceeds of this offering of the notes together with other available funds (which may include borrowings under Crown's revolving credit facility) to repay Crown Americas's Term Loan B facility, to pay fees and expenses associated with the offering of the notes offered hereby and for general corporate purposes which may consist of the permanent repayment of other term loan indebtedness under its senior secured credit facilities and/or the repurchase of outstanding senior unsecured notes.

As of December 31, 2014, without giving effect to the Empaque acquisition or this offering, Crown's sources of liquidity and borrowings expire or mature as follows: its $200 million North American securitization facility in December 2015; its €130 million ($157 million at December 31, 2014) European securitization facility in December 2019; its $1,200 million revolving credit facilities in December 2018; its $700 million 6.25% senior notes in February 2021; its €650 million ($786 million at December 31, 2014) 4.0% senior notes in July 2022; its $1,000 million 4.50% senior notes in January 2023; its $350 million 7.375% senior notes in December 2026; its $64 million 7.5% senior notes in December 2096; and $356 million of other indebtedness in various currencies at various dates through 2020. In addition, as of December 31, 2014, without giving effect to the Empaque acquisition, Crown's term loan and farm credit facilities mature as follows: $86 million in December 2015, $168 million in December 2016, $251 million in December 2017, $1,156 million in December 2018 and $344 million in December 2019. In October 2014, Crown amended its credit agreement to provide financing for the acquisition of Empaque. In February 2015, Crown Americas borrowed $75 million of additional Term Loan A and $675 million of Term Loan B under the senior secured credit facilities to complete the acquisition. The interest rate on the Term Loan A facility is LIBOR plus 1.75% and the maturity date is in December 2018. The interest rate on the Term Loan B facility is LIBOR plus 3.25% subject to a LIBOR floor of 0.75% and the maturity date is in February 2022. See "Description of Certain Indebtedness."

The substantial indebtedness of Crown could:

- make it more difficult for Crown and its subsidiaries to satisfy their obligations with respect to the notes, such as the issuer's obligation to purchase notes tendered as a result of a change in control of Crown;
- increase Crown's vulnerability to general adverse economic and industry conditions, including rising interest rates;

- restrict Crown from making strategic acquisitions or exploiting business opportunities, including any planned expansion in emerging markets;
- limit Crown's ability to make capital expenditures both domestically and internationally in order to grow Crown's business or maintain manufacturing plants in good working order and repair;
- limit, along with the financial and other restrictive covenants under Crown's indebtedness, Crown's ability to obtain additional financing, dispose of assets or pay cash dividends;
- require Crown to dedicate a substantial portion of its cash flow from operations to service its indebtedness, thereby reducing the availability of its cash flow to fund future working capital, capital expenditures, research and development expenditures and other general corporate requirements;
- require Crown to sell assets used in its business;
- limit Crown's ability to refinance its existing indebtedness, particularly during periods of adverse credit market conditions when refinancing indebtedness may not be available under interest rates and other terms acceptable to Crown or at all;
- increase Crown's cost of borrowing;
- limit Crown's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates; and
- place Crown at a competitive disadvantage compared to its competitors that have less debt.

If its financial condition, operating results and liquidity deteriorate, Crown's creditors may restrict its ability to obtain future financing and its suppliers could require prepayment or cash on delivery rather than extend credit which could further diminish Crown's ability to generate cash flows from operations sufficient to service its debt obligations. In addition, Crown's ability to make payments on and refinance its debt and to fund its operations will depend on Crown's ability to generate cash in the future.

Crown and Crown European Holdings are holding companies with no direct operations and the notes will be structurally subordinated to all indebtedness of Crown's subsidiaries that are not guarantors of the notes.

Crown and Crown European Holdings are holding companies with no direct operations and for the fiscal year ended December 31, 2014, the subsidiaries of Crown that do not guarantee the notes represented in the aggregate approximately 47.7% of consolidated net sales and 50.0% of consolidated Adjusted EBITDA, without giving effect to the Empaque acquisition. The principal assets of Crown and Crown European Holdings are the equity interests and investments they hold in their subsidiaries. As a result, they depend on dividends and other payments from their subsidiaries to generate the funds necessary to meet their financial obligations, including the payment of principal of and interest on their outstanding debt. Their subsidiaries are legally distinct from them and have no obligation to pay amounts due on their debt or to make funds available to them for such payment except as provided in the note guarantees or pursuant to intercompany notes. Not all of Crown's or Crown European Holdings' subsidiaries will guarantee the notes. Specifically, none of (1) Crown European Holdings' subsidiaries incorporated in African or Asian nations, Belgium, Greece, Hungary, Italy, Luxembourg, Russia, Spain, Slovakia and Turkey and (2) Crown's other foreign subsidiaries (other than, subject to applicable law and exceptions described herein, certain subsidiaries incorporated in Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Spain and Switzerland) which are not also subsidiaries of Crown European Holdings are expected to guarantee the notes. The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries but are expected to become guarantors thereof and, if such guarantees are provided, will guarantee the notes on an unsecured senior basis. However, there can be no assurance that such entities will guarantee the outstanding senior secured credit facilities of Crown European Holdings and, if no such guarantee is provided, the entities will not guarantee the notes. A holder of notes will not have any claim as a creditor against subsidiaries of Crown that are not guarantors of the notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those non-guarantor subsidiaries will be effectively senior to your claims.

The notes do not impose any limitations on Crown's ability to incur additional debt, guarantees or other obligations or make restricted payments.

The indenture that will govern the notes does not restrict the future incurrence of unsecured indebtedness, guarantees or other obligations. Except for the limitations on granting liens on the capital stock and indebtedness of its subsidiaries and on certain limited assets Crown and certain of its subsidiaries own (or on entering into sale and leaseback transactions with respect to those assets), the indenture will not restrict Crown's ability to incur secured indebtedness, grant liens on its assets or engage in sale and leaseback transactions. See "Description of the Notes—Limitation on Liens" and "Description of the Notes—Limitation on Sale and Leaseback Transactions." In addition, the indenture governing the notes will not contain many other restrictions contained in the indentures governing certain of Crown's existing senior notes, including limitations on asset sales or on paying dividends or making other restricted payments or investments.

Your right to receive payments on the notes is effectively subordinated to Crown's existing secured indebtedness, including Crown's existing senior secured credit facilities, and possible future secured borrowings.

The notes and the note guarantees will be effectively subordinated to the prior payment in full of Crown's, Crown European Holdings' and the guarantors' current and future secured indebtedness to the extent of the value of the assets securing such indebtedness. As of December 31, 2014, giving adjusted effect to this offering, the anticipated use of proceeds therefrom and the Empaque acquisition and related borrowings, Crown and its subsidiaries had approximately $6.1 billion of indebtedness, including approximately $2.1 billion of secured indebtedness. Such secured indebtedness may increase if Crown incurs secured indebtedness, including under Crown's senior secured revolving credit facilities, to finance an acquisition or otherwise. Because of the liens on the assets securing the senior secured credit facilities, in the event of the bankruptcy, wind-up, reorganization, liquidation or dissolution of the borrowers or any guarantor of such indebtedness, the assets of the borrowers or guarantors would be available to pay obligations under the notes offered hereby and other unsecured obligations only after payments had been made on the borrowers' or the guarantors' secured indebtedness. Sufficient assets may not remain after these payments have been made to make any payments on the notes offered hereby and Crown's other unsecured obligations, including payments of interest when due. Holders of the notes offered hereby will participate ratably with all holders of other unsecured obligations that are deemed to be of the same class as the notes offered hereby, and potentially with all of Crown's other general creditors, based upon the respective amounts owed to each holder or creditor, in Crown's remaining assets. As a result, holders of the notes offered hereby may receive less ratably than holders of secured indebtedness. In addition, all payments on the notes and the note guarantees will be prohibited in the event of a payment default on Crown's secured indebtedness (including borrowings under the senior secured credit facilities) and, for limited periods, upon the occurrence of other defaults under the existing senior secured credit facilities. See "Description of Certain Indebtedness."

Crown may not be able to generate sufficient cash to service all of its indebtedness, including the notes offered hereby, and may be forced to take other actions to satisfy its obligations under its indebtedness, which may not be successful.

Crown's ability to make scheduled payments on and to refinance its indebtedness, including the notes offered hereby, and to fund planned capital expenditures and research and development efforts, will depend on Crown's ability to generate cash in the future. This is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond Crown's control.

We cannot assure you, however, that Crown's business will generate sufficient cash flow from operations or that future borrowings will be available in an amount sufficient to enable Crown to pay its indebtedness, including the notes offered hereby, or to fund its other liquidity needs. If Crown's cash flows and capital resources are insufficient to fund its debt service obligations, Crown may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance its indebtedness, including the notes offered hereby. We cannot assure you that Crown would be able to take any of these actions, that these actions would be successful and permitted under the terms of Crown's existing or future debt agreements or that Crown could release from these actions sufficient proceeds to meet any debt service obligations then due.

Some of Crown's indebtedness is subject to floating interest rates, which would result in Crown's interest expense increasing if interest rates rise.

As of December 31, 2014, approximately $2.2 billion of Crown's $6.1 billion of total indebtedness (giving adjusted effect to this offering, the anticipated application of the proceeds therefrom and the Empaque acquisition and related borrowings) and other outstanding obligations were subject to floating interest rates. Changes in economic conditions could result in higher interest rates, thereby increasing Crown's interest expense and reducing funds available for operations or other purposes. Crown's annual interest expense was $253 million, $236 million and $226 million for 2014, 2013 and 2012, respectively. Based on the amount of variable rate debt outstanding at December 31, 2014, a 1% increase in variable interest rates would have increased its 2014 annual adjusted interest expense by $22 million. Accordingly, Crown may experience economic losses and a negative impact on earnings as a result of interest rate fluctuation. The actual effect of a 1% increase could be more than $22 million as Crown's average borrowings on its variable rate debt may be higher during the year than the amount at December 31, 2014. In addition, the cost of Crown's securitization facilities would also increase with an increase in floating interest rates. Although Crown may use interest rate protection agreements from time to time to reduce its exposure to interest rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, there can be no assurance that such agreements will achieve the desired effect. See "Capitalization," "Description of Certain Indebtedness" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Market Risk."

Notwithstanding Crown's current indebtedness levels and restrictive covenants, Crown may still be able to incur substantial additional debt or make certain restricted payments, which could exacerbate the risks described above.

Crown may be able to incur additional debt in the future, including in connection with acquisitions or joint ventures. Although Crown's senior secured credit facilities and indentures governing its outstanding notes contain restrictions on Crown's ability to incur indebtedness, those restrictions are subject to a number of exceptions, and, under certain circumstances, indebtedness incurred in compliance with these restrictions could be substantial. Crown may also consider investments in joint ventures or acquisitions or increased capital expenditures, which may increase Crown's indebtedness. Moreover, although Crown's senior secured credit facilities and indentures governing certain of its outstanding notes contain restrictions on Crown's ability to make restricted payments, including the declaration and payment of dividends and the repurchase of Crown's common stock, Crown is able to make such restricted payments under certain circumstances which may increase indebtedness, and Crown may in the future establish a regular dividend on Crown common stock. Adding new debt to current debt levels or making otherwise restricted payments could intensify the related risks that Crown and its subsidiaries now face. See “Capitalization” and “Description of Certain Indebtedness.”

Restrictive covenants in the debt agreements governing Crown’s other current or future indebtedness could restrict Crown’s operating flexibility.

The indentures and the agreements governing Crown’s senior secured credit facilities and certain of its outstanding notes contain affirmative and negative covenants that limit the ability of Crown and its subsidiaries to take certain actions. These restrictions may limit Crown’s ability to operate its businesses and may prohibit or limit its ability to enhance its operations or take advantage of potential business opportunities as they arise. Crown’s senior secured credit facilities require Crown to maintain specified financial ratios and satisfy other financial conditions. The agreements or indentures governing Crown’s senior secured credit facilities and certain of its outstanding notes restrict, among other things, the ability of Crown and the ability of all or substantially all of its subsidiaries to:

- incur additional debt;
- pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments or loans;
- create liens and engage in sale and leaseback transactions;
- create restrictions on the payment of dividends and other amounts to Crown from subsidiaries;
- make loans, investments and capital expenditures;
- change accounting treatment and reporting practices;
- enter into agreements restricting the ability of a subsidiary to pay dividends to, make or repay loans to, transfer property to, or guarantee indebtedness of, Crown or any of its subsidiaries;
- sell or acquire assets, enter into leaseback transactions and merge or consolidate with or into other companies; and
- engage in transactions with affiliates.

In addition, the indentures and the agreements governing Crown’s senior secured credit facilities and certain of its outstanding notes limit, among other things, the ability of Crown to enter into certain transactions, such as mergers, consolidations, joint ventures, asset sales, sale and leaseback transactions and the pledging of assets. Furthermore, if Crown or certain of its subsidiaries experience specific kinds of changes of control, Crown’s senior secured credit facilities will be due and payable and Crown will be required to offer to repurchase outstanding notes.

The breach of any of these covenants by Crown or the failure by Crown to meet any of these ratios or conditions could result in a default under any or all of such indebtedness. If a default occurs under any such indebtedness, all of the outstanding obligations thereunder could become immediately due and payable, which could result in a default under Crown’s other outstanding debt and could lead to an acceleration of obligations related to the notes and other outstanding debt. The ability of Crown to comply with these covenants or indentures governing other indebtedness it may incur in the future and its outstanding notes can be affected by events beyond its control and, therefore, it may be unable to meet these ratios and conditions.

The indenture governing the notes will permit, and Crown's senior secured credit facilities and indentures governing other existing notes permit, Crown to repurchase its existing notes, thereby reducing the amounts available to satisfy its obligations under the notes.

The indenture governing the notes will permit and Crown's senior secured credit facilities and the indentures governing its existing notes permit the repurchase by Crown of outstanding indebtedness and any such repurchases would reduce the amounts available to satisfy Crown's obligations under the notes. Crown's outstanding notes will not be expressly subordinated to the notes. Crown may from time to time consider repurchasing existing notes, including outstanding notes that are scheduled to mature after the maturity date of the notes.

Crown is subject to certain restrictions that may limit its ability to make payments on its debt, including on the notes and the note guarantees, out of the cash reserves shown on Crown's consolidated financial statements.

The ability of Crown's subsidiaries and joint ventures to pay dividends, make distributions, provide loans or make other payments to Crown may be restricted by applicable state and foreign laws, potentially adverse tax consequences and their agreements, including agreements governing their debt.

In addition, the equity interests of Crown's joint venture partners or other shareholders in Crown's non-wholly owned subsidiaries in any dividend or other distribution made by these entities would need to be satisfied on a proportionate basis with Crown. As a result, Crown may not be able to access the cash flow of these entities to service its debt, including the notes, and Crown cannot assure you that the amount of cash and cash flow reflected on Crown's financial statements will be fully available to Crown.

The note guarantee of a subsidiary guarantor will be released if such subsidiary guarantor no longer guarantees or is otherwise an obligor of indebtedness under any Crown credit facility.

Any subsidiary guarantee of the notes may be released without action by, or consent of, any holder of the notes or the trustee under the indenture if the subsidiary guarantor is no longer a guarantor or an obligor of any Crown credit facility or other indebtedness as described under "Description of the Notes—Ranking and Guarantees." The lenders under Crown's senior secured credit facilities will have the discretion to release the subsidiary guarantees under the senior secured credit facilities in a variety of circumstances. You will not have a claim as a creditor against any subsidiary that is no longer a subsidiary guarantor of the notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to your claims.

Insolvency and administrative laws could limit your ability to enforce your rights under the notes and the note guarantees.

Your rights under the notes and the note guarantees will be subject to the insolvency and administrative laws of several jurisdictions and you may not be able to effectively enforce your rights in such complex, multiple bankruptcy or insolvency proceedings. The notes will be issued by Crown European Holdings, which is organized under the laws of France, and the notes will be guaranteed by (i) Crown and, subject to applicable law and exceptions described herein, each of Crown's subsidiaries in the United States, Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Switzerland and Spain that are obligors under Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, the issuer or another guarantor and (ii) subject to applicable law and exceptions described herein, each of the issuer's subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, the issuer or another guarantor or are otherwise obligors under Crown's senior secured credit facilities which as of the issue date of the notes is expected to include certain subsidiaries organized under the laws of France, Germany, Mexico and the Netherlands. The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries but are expected to become guarantors thereof, and, if such guarantees are provided, will guarantee the notes on an unsecured senior basis. In the event of a bankruptcy or insolvency event, proceedings could be initiated in France, the United States, the United Kingdom or in one or more other jurisdictions in which the guarantors are domiciled. Such multi-jurisdictional proceedings are likely to be complex and costly and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. In addition, in actions brought in countries outside of the United States, courts may choose to apply their own law rather than the law of the State of New York, which governs the indenture, the notes and the note guarantees. The application of foreign law may limit your ability to enforce your rights under the notes and the note guarantees. See "Description of the Notes—Certain Bankruptcy and Fraudulent Transfer Limitations" and "Description of the Notes—Enforceability of Judgments."

Under French insolvency law, holders of debt securities are grouped into a single assembly of holders (the "Assembly") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde, procédure de sauvegarde accélérée or procédure de sauvegarde financière accélérée*) or a judicial reorganization procedure (*procédure de redressement judiciaire*) is commenced in France with respect to the issuer. See "Description of the Notes—Certain Bankruptcy and Fraudulent Transfer Limitations."

Holders of all debt securities issued by the issuer (including the notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note programme) and regardless of their governing law, may attend and vote at the Assembly.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganization plan (*projet de plan de redressement*) applicable to the issuer and may further agree to:

- decrease the rights of holders of debt securities (including the holders of the notes) by rescheduling or reducing due payments and/or partially or totally writing off receivables in the form of debt securities;
- impose unequal treatment between holders of debt securities (including the holders of the notes) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the notes) into securities that give or may give rights to shares.

Decisions of the Assembly require approval by a two-thirds majority of the Assembly (calculated as a proportion of the face value of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the meetings of the holders of the notes described in this offering memorandum will not be applicable to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances. For further discussion of certain insolvency proceedings governed by French law, see "Description of the Notes—Certain Bankruptcy and Fraudulent Transfer Limitations."

The notes and the note guarantees may be voidable, subordinated or limited in scope under insolvency, fraudulent transfer, corporate or other laws.

Fraudulent transfer and insolvency laws may void, subordinate or limit the notes and the note guarantees. See "Description of the Notes—Certain Bankruptcy and Fraudulent Transfer Limitations."

United States

Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, the issuance of the note guarantees by Crown and the subsidiary guarantors could be voided, or claims in respect of such obligations could be subordinated to all of their other debts and other liabilities, if, among other things, at the time Crown and/or the subsidiary guarantors issued the related note guarantees, Crown or the applicable subsidiary guarantor intended to hinder, delay or defraud any present or future creditor, or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness and either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which Crown's or such subsidiary guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

By its terms, the note guarantee of each guarantor will limit the liability of each such guarantor to the maximum amount it can pay without the note guarantee being deemed a fraudulent transfer.

United Kingdom

Certain of the subsidiary guarantors are incorporated in, maintain their respective registered offices in and conduct their business and the administration of their interests on a regular basis in and from England and Wales (each a "UK Provider"). On the basis of these factors, an English court may conclude that the UK Providers have their "centre of main interests", within the meaning of the EU Insolvency Regulation, in England and therefore insolvency proceedings in England constituting "main insolvency proceedings" under article 3(1) of the EU Insolvency Regulation may be commenced in respect of a UK Provider.

Administration

Administration is an insolvency procedure under the UK Insolvency Act 1986, pursuant to which a company may be reorganized or its assets realized under the protection of a statutory moratorium. A company may be put into administration either pursuant to a court order or via an out-of-court process. Broadly speaking (and subject to specific conditions), a company can be placed into administration at the application of, among others, the company itself, its directors or one or more of its creditors (including contingent and prospective creditors). A holder of a qualifying floating charge over the assets of the company also has the right to appoint an administrator. In addition, he has the right to intervene in an administration application by nominating an alternative administrator or in certain very specific circumstances, by blocking the appointment altogether by the appointment of an administrative receiver. Broadly speaking, an interim moratorium comes into effect when an application for an administration order (in the case of court appointment) or a notice of intention to appoint an administrator is made. At the commencement of the appointment of an administrator, a full statutory moratorium applies, pursuant to which creditors cannot take action against the company, including, among other things, commencing a legal process against the company, winding up the company or enforcing security or repossessing goods in the company's possession under a hire purchase agreement without the consent of the administrator or permission of the court. If a UK Provider were to enter administration, it is possible that the guarantee granted by it may not be enforced while it is in administration. Broadly speaking, expenses that qualify as expenses of the administration (and which include, among others, expenses properly incurred by the administrator in performing his functions and necessary disbursements incurred in the course of the administration) enjoy priority status. Claims of creditors may be submitted to the administrator, although court approval generally will be required before he can make a distribution to unsecured creditors. Time limits may be set for receipt and processing of claims before interim dividends are paid.

Limitation on enforcement

The grant of a guarantee by any of the UK Providers in respect of the obligations of another group company must satisfy certain legal requirements. More specifically, such a transaction must be allowed by the respective company's memorandum and articles of association. To the extent that the above do not allow such an action, there is the risk that the grant of the guarantee can be found to be void and the respective creditor's rights unenforceable. Some comfort may be obtained for third parties if they are dealing with the company in good faith, however the relevant legislation is not without difficulties in its interpretation. Further, corporate benefit must be established for the company in question by virtue of entering into the proposed transaction. Section 172 of the UK Companies Act 2006 provides that a director must act in the way that he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. If the directors enter into a transaction where there is no or insufficient commercial benefit, they may be found as abusing their powers as directors and such a transaction may vulnerable to being set aside by a court.

Challenges to guarantees

There are circumstances under English insolvency law in which the granting by a company of guarantees can be challenged. The following paragraphs discuss potential grounds for challenge that may apply to guarantees.

Transaction at an undervalue. Under English insolvency law, a liquidator or an administrator of a company could apply to the court for an order to set aside a guarantee granted by the company (or give other relief) on the grounds that the creation of such guarantee constituted a transaction at an undervalue. The grant of a guarantee will only be a transaction at an undervalue if the transaction constitutes a gift or is made on terms that provide that the company receives no consideration or if the company receives consideration of significantly less value, in money or in money's worth, than the consideration given by such company. For a challenge to be made, the guarantee must be granted within a period of two years ending with the onset of insolvency (as defined in section 240 of the UK Insolvency Act 1986, as amended). In addition the company must have been "unable to pay its debts" at the time that it granted the guarantee or became "unable to pay its debts" as a result. A company will be "unable to pay its debts" if a statutory demand for over £750 is served on the company and remains unsatisfied for three weeks or an execution on or other process issued on a judgment, decree or order of a court in favor of a creditor is returned unsatisfied in whole or in part or if it is proved to the court's satisfaction that the company is not able to pay its debts as they fall due or that the value of the company's assets is less than the amount of its liabilities (taking into account contingent and prospective liabilities). A court will not make an order in respect of a transaction at an undervalue if it is satisfied that the company entered into the transaction in good faith and for the purpose of carrying on its business and that, at the time it did so, there were reasonable grounds for believing the transaction would benefit the company. Subject to this, if the court determines that the transaction was a transaction at an undervalue the court can make such order as it thinks fit to restore the position to what it would have been if the transaction had not been entered into (which could include reducing payments under the guarantees or setting aside any guarantees although there is protection for a third party that benefits from the transaction and has acted in good faith and for value). In any challenge proceedings, it is for the administrator or liquidator to demonstrate that the English company was unable to pay its debts unless a beneficiary of the transaction was a "connected person" (as defined in the UK Insolvency Act 1986, as amended), in which case there is a presumption that the company was unable to pay its debts and the connected person must demonstrate that the company was not unable to pay its debts at the time of the transaction.

Preference. Under English insolvency law, a liquidator or administrator of a company could apply to the court for an order to set aside a guarantee granted by such company (or give other relief) on the grounds such guarantee constituted a preference. The grant of a guarantee is a preference if it has the effect of placing a creditor (or a surety or guarantor of the company) in a better position in the event of the company's insolvent liquidation than if the guarantee had not been granted. For a challenge to be made, the decision to prefer must be made within the period of six months ending with the onset of insolvency (as defined in section 240 of the UK Insolvency Act 1986, as amended) if the beneficiary of the guarantee is not a connected person or two years if the beneficiary is a connected person. In addition, the company must have been "unable to pay its debts" at the time it gave the preference or become "unable to pay its debts" as a result. A company's "inability to pay its debts" in this scenario has the same meaning as in the case of a transaction at an undervalue save that, in the case of a preference, there is no presumption of insolvency if the parties are connected. A court may not make an order in respect of a preference of a person unless it is satisfied that the company in deciding to give the preference was influenced by a desire to put that person in a better position. If the court determines that the transaction was a preference, the court can make such order as it thinks fit to restore the position to what it would have been if that preference had not been given (which could include reducing payments under the guarantees or setting aside the guarantees). There is protection for a third party that benefits from the transaction and acted in good faith and for value. In any proceedings, it is for the administrator or liquidator to demonstrate that the company was unable to pay its debts and that the company was influenced by a desire to produce the preferential effect, unless the beneficiary of the transaction was a connected person, in which case there is a presumption that the company was influenced by a desire to produce the preferential effect and the connected person must demonstrate in such proceedings that there was no such influence.

Transaction defrauding creditors. Under English insolvency law, a liquidator or an administrator of a company, a person who is a victim of the relevant transaction and, subject to certain conditions, the U.K. Financial Conduct Authority and the U.K. Pensions Regulator can apply to the court for an order to set aside a guarantee granted by that company on the grounds the guarantee was a transaction defrauding creditors.

A transaction will constitute a transaction defrauding creditors if it is a transaction at an undervalue (as outlined above) and the court is satisfied the substantial purpose of a party to the transaction was to put assets beyond the reach of actual or potential claimants against it or to prejudice the interest of such persons.

If the court determines that the transaction was a transaction defrauding creditors, then it may make such order as it may deem fit to restore the position to what it was prior to the transaction or protect the victims of the transaction (including reducing payments under the guarantee or setting aside the guarantees) but there is protection for a third party acting in good faith and for value without notice of the relevant circumstances. Any "victim" of the transaction (with the leave of the court if the company is in liquidation or administration) may apply to court under this provision and not just liquidators or administrators. There is no time limit in the English insolvency legislation within which the company must enter insolvency proceedings and the relevant company does not need to have been unable to pay its debts at the time of the transaction.

Extortionate Credit Transaction. Further, an administrator or a liquidator can apply to court to set aside an extortionate credit transaction. The court can review extortionate credit transactions entered into by the company up to three years before the day on which the company entered into administration or went into liquidation. A transaction is "extortionate" if, having regard to the risk accepted by the person providing the credit, the terms of it are (or were) such as to require grossly exorbitant payments to be made (whether unconditionally or in certain contingencies) in respect of the provision of the credit or it otherwise grossly contravened ordinary principles of fair dealing.

Currency of Debt

In addition, under English insolvency law any debt payable in a currency other than pounds sterling must be converted into pounds sterling at the "official exchange rate" prevailing at the date when the debtor went into liquidation or administration. This provision overrides any agreement between the parties. The “official exchange rate” for these purposes is the middle exchange rate on the London Foreign Exchange Markets as published for the date in question or, if no such rate is published, such rate as the court determines. Accordingly, in the event that a UK Provider goes into liquidation or administration, holders of the notes may be subject to exchange rate risk between the date that such UK Provider went into liquidation or administration and receipt of any amounts to which such holders of the notes may become entitled.

France

A French court may, under certain circumstances, set aside a guarantee granted by a French company for the benefit of an affiliated company, even when the companies are part of a structured group with common economic, social and financial interests and the guarantee complies with policies adopted for the group as a whole, if the guarantor does not derive benefit from the arrangements made, its obligations are disproportionate in light of the benefits derived, or the liability assumed by the guarantor exceeds the guarantor’s financial resources. A French court may also refuse to enforce a guarantee if it is determined that the company granting such guarantee was insolvent at the time the guarantee was granted. In addition, a French court may grant a debtor or guarantor a period of time to perform its obligation.

Under French financial assistance rules, a company is prohibited from guaranteeing indebtedness of another company that is used, directly or indirectly, for the purpose of its acquisition and/or to subscribe to its shares.

French law requires that when a company grants a guarantee of third party obligations, the guarantee must be in the corporate interest of the guarantor, otherwise it could cause the directors of such guarantor to contravene their fiduciary duties and incur civil or criminal liability. In addition, if a French guarantor receives, in return for issuing the guarantee, economic benefits that are less than the economic benefits such French guarantor would obtain in a transaction entered into on an arms’ length basis, the difference between the actual economic benefit and that in a comparable arms’ length transaction could be taxable under certain circumstances.

Under French corporate benefit rules, a court could declare any guarantee unenforceable and, if payment had already been made under the relevant guarantee, require that the recipient return the payment to the relevant guarantor, if the court found that the French guarantor did not receive some real and adequate corporate benefit from the transaction involving the grant of the guarantee as a whole. Existence of corporate benefit is a factual matter which must be determined on a case-by-case basis. French case law has recognized that certain intra-group transactions (including upstream guarantees), can be in the corporate interest of the guarantor, in particular where the following criteria are fulfilled:

- the existence of a genuine group of companies operating under a common strategy working towards a common objective;
- the risk assumed by a French guarantor must be proportionate to the benefit;
- the transaction must maintain a balance between the financial commitments of the relevant affiliates;
- the French guarantor must receive an actual and adequate benefit, consideration or advantage from the transaction involving the granting by it of the guarantee; and
- the obligations under the guarantee must not exceed the financial capability of the French guarantor company.

The existence of a real and adequate benefit to the guarantor and whether the amounts guaranteed are commensurate with the benefit received are matters of fact as to which French case law provides no clear guidance.

Accordingly, the enforcement of the note guarantees given by (1) Crown Bevcan France SAS, (2) Crown Emballage SAS, (3) Société de Participations Carnaudmetalbox and (4) Crown Developpement SAS (each, a “French Subsidiary Guarantor”) will be limited as to each French Subsidiary Guarantor, to the extent required by French law, to the equivalent in euros of the portion of the proceeds of the notes used directly or indirectly to repay or refinance obligations of, or obligations guaranteed (to the extent permitted by French law) by, such French Subsidiary Guarantor, or to fund or refinance (directly or indirectly) advances or loans to such French Subsidiary Guarantor from time to time. The enforcement of the note guarantees given by each French Subsidiary Guarantor will further be limited to the extent required by applicable law to the maximum amount such French Subsidiary Guarantor can pay without exceeding its financial capacity or other otherwise resulting in insolvency of the guarantor as of the date the note guarantee is subscribed or, if later further amended, restated or reaffirmed, as of such later date. Any payment that would be made by such guarantor under its guarantee would reduce the maximum amount of its guarantee.

Germany and Spain

Under German and Spanish insolvency law, the insolvency administrator may under certain circumstances rescind certain pre-insolvency transactions entered into by such company. Details are set forth in sections 129 to 146 German Insolvency Act and Article 71 of the Spanish Insolvency Law. The insolvency administrator may in particular seek the rescission of any legal act that directly discriminates against the creditors of such company or is detrimental to the insolvency estate if such legal act was entered into within three months prior to the application to open the insolvency proceedings (in the case of Germany) or two years prior to the opening of the insolvency proceedings (in the case of Spain) and certain other criteria are met (Section 132 German Insolvency Act and Article 71 of the Spanish Insolvency Law). This may affect the enforcement of the guarantees to be given by Crown’s subsidiaries organized under the laws of Germany and Spain.

Other

The laws of each of the jurisdictions in which the non-U.S. subsidiary guarantors are organized limit the ability of these subsidiaries to guarantee debt of third parties, including their parent company or affiliates. These limitations arise under various provisions or principles of corporate law which include provisions requiring the entry into the guarantee to be in the corporate interest of the subsidiary guarantor or a subsidiary guarantor to receive adequate corporate benefit from the financing, rules governing preservation of share capital, thin capitalization, financial assistance and fraudulent transfer principles. In many of these jurisdictions, including Canada, the Netherlands, Luxembourg, Mexico and Switzerland, the note guarantees will contain language limiting the amount of debt guaranteed or otherwise qualifying the guarantee in order to address applicable local law considerations. Accordingly, if you were to enforce the note guarantees in these jurisdictions, your claims may be limited. Furthermore, although Crown believes that the note guarantees are generally enforceable (subject to local law restrictions), a third party creditor may challenge these note guarantees and prevail in court. Likewise, the guarantee may, under certain circumstances, be nullified or rescinded by the insolvency court at the request of its trustee in bankruptcy or insolvency administrator, as applicable, or any of the subsidiary guarantor’s creditors.

Crown’s senior secured credit facilities, the notes and other indebtedness provide that certain change of control events constitute an event of default. In the event of a change of control, Crown, Crown European Holdings and the guarantors may not be able to satisfy all of their obligations under the senior secured credit facilities, the notes or other indebtedness.

Crown, Crown European Holdings and the guarantors may not have sufficient assets or be able to obtain sufficient third-party financing on favorable terms to satisfy all of their obligations under Crown’s senior secured credit facilities, the notes or other indebtedness in the event of a change of control. If Crown or Crown European Holdings experiences a change of control repurchase event, Crown European Holdings will be required to offer to repurchase all outstanding notes. However, Crown's senior secured credit facilities provide that certain change of control events constitute an event of default under the senior secured credit facilities. Such an event of default entitles the lenders thereunder to, among other things, cause all outstanding debt obligations under the senior secured credit facilities to become due and payable and to proceed against the collateral securing the senior secured credit facilities. Any event of default or acceleration of the senior secured credit facilities will likely also cause a default under the terms of other indebtedness of Crown.

In addition, Crown's senior secured credit facilities contain, and any future credit facilities or other agreements to which Crown becomes a party may contain, restrictions on its ability to offer to repurchase the notes in connection with a change of control. In the event a change of control repurchase event occurs at a time when it is prohibited from offering to purchase the notes, Crown European Holdings could seek consent to offer to purchase the notes or attempt to refinance the borrowings that contain such a prohibition. If it does not obtain the consent or refinance the borrowings, Crown European Holdings would remain prohibited from offering to purchase the notes. In such case, the failure by Crown European Holdings to offer to purchase the notes would constitute a default under the indenture governing the notes, which, in turn, could result in amounts outstanding under any future credit facility or other agreement relating to indebtedness being declared due and payable. Any such declaration could have adverse consequences to Crown, Crown European Holdings and the holders of the notes.

You may not be able to determine when a change of control repurchase event has occurred and may not be able to require the issuer to purchase the notes as a result of a change in the composition of the directors on Crown's board of directors.

Legal uncertainty regarding what constitutes a change of control repurchase event and the provisions of the indenture may allow Crown to enter into transactions, such as acquisitions, refinancings or recapitalizations, that would not constitute a change of control repurchase event but may increase Crown's outstanding indebtedness or otherwise affect Crown's ability to satisfy its obligations under the notes. The definition of change of control includes a phrase relating to the transfer of "all or substantially all" of the assets of Crown and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, your ability to require Crown European Holdings to repurchase notes as a result of a transfer of less than all of the assets of Crown to another person may be uncertain.

In addition, in a 2009 decision, the Court of Chancery of the State of Delaware raised the possibility that a change of control put right occurring as a result of a failure to have "continuing directors" comprising a majority of a board of directors might be unenforceable on public policy grounds.

If an active trading market for the notes does not develop, the liquidity and value of the notes could be harmed.

The notes have not been registered under the Securities Act. Accordingly, the notes may only be offered or sold pursuant to an exemption from the registration requirements of the Securities Act or pursuant to an effective registration statement. We do not have an obligation, nor do we currently intend, to register the resale of the notes under the Securities Act or to offer to exchange the notes in an exchange offer registered under the Securities Act. There is no existing market for the notes. Crown European Holdings intends to submit an application to list the notes on the Official List of the Luxembourg Stock Exchange and trade the notes on the Euro MTF. Even if Crown European Holdings submits such an application, it cannot assure you that an active trading market will develop for the notes. If no active trading market develops, you may not be able to resell your notes at their fair market value or at all. Future trading prices of the notes will depend on many factors, including, among other things, Crown European Holdings' prevailing interest rates, demand for high yield debt securities generally, general economic conditions, Crown European Holdings' and Crown's financial performance or prospects or the prospects of the companies in their industry and the market for similar securities. The initial purchasers have advised Crown European Holdings that they currently intend to make a market in the notes after this offering is completed. However, the initial purchasers may cease their market-making activities at any time. Crown European Holdings does not intend to apply for listing of the notes on any securities exchange, except for the application to list the notes on the Luxembourg Stock Exchange and to trade the notes on the Euro MTF. There can be no assurance that the notes will be accepted for listing on the Luxembourg Stock Exchange and trading on the Euro MTF. See "Listing."

Any decline in the ratings of our corporate credit could adversely affect the value of the notes.

Any decline in the ratings of our corporate credit or any indications from the rating agencies that their ratings on our corporate credit are under surveillance or review with possible negative implications could adversely affect the value of the notes. In addition, a ratings downgrade could adversely affect our ability to access capital.

The notes will initially be held in book-entry form and, therefore, you must rely on the procedures and the relevant clearing systems to exercise your rights and remedies.

Unless and until certificated notes are issued in exchange for book-entry interests in the notes, owners of the book-entry interests will not be considered owners or holders of notes. Instead, the common depositary for Euroclear and Clearstream will be the sole holder of the notes. Payments of principal, interest and other amounts owing on or in respect of the notes in global form will be made to the paying agent. Such paying agent will, in turn, make such payments to the common depositary for Euroclear and Clearstream, which will distribute such payments to participants in accordance with the common depositary's procedures. Unlike holders of the notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear and/or Clearstream or, if applicable, a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions on a timely basis. The lack of physical certificates could also:

- result in payment delays on your notes because the trustee will be sending payments on the notes to Euroclear and Clearstream instead of directly to you;
- make it difficult for you to pledge your notes if physical certificates are required by the party demanding the pledge; and
- hinder your ability to resell your notes because some investors may be unwilling to buy notes that are not in physical form.

An investor may be unable to recover in civil proceedings for U.S. securities laws violations.

The issuer and certain of the guarantors are organized and established under the laws of France. Certain directors and executive officers of the issuer are non-residents of the United States and a substantial portion of their assets are located outside of the United States. As a result, although the issuer and the French guarantors have appointed an agent for service of process under the indenture governing the notes, you may not be able to effect service of process within the United States upon those persons or to enforce, in courts outside of the United States, judgments against those persons obtained in U.S. courts, whether or not based upon the civil liability provisions of the federal securities laws of the United States. Moreover, actions of the issuer may not be subject to the civil liability provisions of the federal securities laws of the United States. See “Service of Process and Enforcement of Liabilities.”

The United States is not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with France. The enforceability in France of civil liabilities based upon U.S. securities laws in an action to enforce a U.S. judgment in France is neither automatic nor certain. In addition, the enforcement in France of any judgment obtained in a U.S. court based on civil liabilities, whether or not predicated solely upon U.S. federal securities laws, will be subject to certain conditions. It is also uncertain whether a French court would have the requisite power or authority to grant certain remedies sought in an original action brought in France on the basis of U.S. securities laws violations. For further information see “Service of Process and Enforcement of Liabilities.”

You may face foreign exchange risks or adverse tax consequences by investing in the notes.

The notes will be denominated and payable in euros. If you measure your investment returns by reference to a currency other than the euro, an investment in the notes will entail foreign exchange related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which you measure the return on your investments because of economic, political and other factors over which Crown European Holdings has no control. Depreciation of the euro against the currency by reference to which you measure the return on your investments could cause a decrease in the effective yield of the notes below their stated coupon rates and could result in a loss to you when the return on the notes is translated into the currency by reference to which you measure the return on your investments. Investment in the notes may also have important tax consequences as a result of any foreign currency exchange gains or losses. See “Certain Material U.S. Federal Income Tax Considerations” and “Material French Tax Considerations.”

Holders of the notes will receive payments solely in euro.

All payments of interest on and the principal of the notes and any redemption price for the notes will be made in euros. We, the initial purchasers, the trustee and the paying agent with respect to the notes will not be obligated to convert, or to assist any registered owner or beneficial owner of such notes in converting, payments of interest, principal, any redemption price or any additional amount in euro made with respect to such notes into U.S. dollars or any other currency.

Trading in the clearing systems is subject to minimum denomination requirements.

The notes will be issued only in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. It is possible that the clearing systems may process trades which could result in amounts being held in denominations smaller than the minimum denominations. If definitive notes are required to be issued in relation to such notes in accordance with the provisions of the relevant global notes, a holder who does not have the minimum denomination or an integral multiple of €1,000 in excess thereof in its account with the relevant clearing system at the relevant time may not receive all of its entitlement in the form of definitive notes unless and until such time as its holding satisfies the minimum denomination requirement.

Provisions of the EU Savings Directive may adversely affect your investment in the notes.

Under Council Directive 2003/48/EC, dated June 3, 2003 on taxation of savings income in the form of interest payments (the “Directive”), Member States are required to provide to the tax authorities of another Member State details of certain payments of interest (or similar income within the meaning of the Directive) paid or secured by a person established in a Member State to or for the benefit of an individual resident in that other Member State or certain limited types of entities established in another Member State.

On March 24, 2014, the Council of the European Union adopted a directive amending and broadening the Directive (the “Amending Directive”), which, when implemented into national law, will amend and broaden the scope of the requirements described above. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The changes will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union. The Member States are required to apply these new requirements from January 1, 2017. A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The withholding tax rate is currently 35%. The changes referred to above will broaden the types of payments subject to withholding in Austria. Luxembourg operated such a withholding system until December 31, 2014 but the Luxembourg government has elected out of the withholding system with effect from January 1, 2015, in favor of automatic information exchange under the Directive.

The transitional period shall end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on April 18, 2002 (the “OECD Model Agreement”) with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments and (ii) the date on which the Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

The Directive may, however, be repealed in due course in order to avoid overlap with Council Directive 2011/16/EU (as amended by Council Directive 2014/107/UE, dated December 9, 2014) on administrative cooperation in the field of taxation, pursuant to which Member States other than Austria will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016. Austria has an additional year before being required to implement the new measures but it has announced that it will nevertheless begin to exchange information automatically in accordance with the timetable applicable to the other Member States.

The issuer is required to maintain a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to the Directive or the Amending Directive. Prospective investors should rely on their own analysis of the terms of the Directive and should consult appropriate legal or taxation professionals.

Transactions in the notes could be subject to the proposed financial transactions tax directive.

On February 14, 2013, the European Commission adopted a proposal for a directive on a common financial transaction tax (the “FTT”) to be implemented under the enhanced cooperation procedure by eleven Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain) (the “Participating Member States”).

The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in notes (including secondary market transactions) in certain circumstances, which could expose note holders to increased transaction costs. Primary market transactions as referred by article 5 (c) of Regulation (CE) n°1287/2006 would be exempt of taxation.

Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

On May 6, 2014, the Participating Member States confirmed that all relevant issues will continue to be examined by national experts. It noted the intention of the Participating Member States to work on a progressive implementation of the FTT, focusing initially on the taxation of shares and some derivatives. The first steps would be implemented at the latest on January 1, 2016.

On October 31, 2014 and December 4, 2014, the President of the Council of the European Union submitted a report on the state of advancement of work relating to the directive proposition. In that report, he acknowledged that essential issues, such as the scope of transactions on derivatives' product or the underlying taxation principles of the FTT (residence and/or place of issue principles), have yet to be addressed, and that it consequently does not hinder the issuing of a compromise text likely to allow the conclusion of an agreement.

On January 26, 2015, the Participating Member States reiterated their will to reach an agreement on the directive proposals aiming to implement a reinforced cooperation in terms of FTT, the objective being that it should enter into force on January 1, 2016.

The FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the certainty of which remains to be established. Additional EU Member States may decide to participate.

If the proposed directive is adopted as is and implemented in national legislations, notes holders could be exposed to higher transaction fees.

Prospective holders of notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the notes.

FATCA withholding may apply to payments to certain foreign entities.

Under a law commonly known as "FATCA", U.S. withholding tax of 30% may be imposed on payments made under certain debt instruments to foreign entities (including an entity acting as an intermediary) identified under the FATCA rules. This tax may apply to certain payments of interest as well as payments made upon maturity, redemption, or sale of certain debt instruments, unless the foreign entity complies with certain information reporting, withholding, identification, certification and related requirements imposed by FATCA.

FATCA generally will apply to debt instruments issued by U.S. issuers and in limited circumstances, to debt instruments issued by certain non-U.S. issuers. Under current FATCA rules, debt instruments of a non-U.S. issuer issued 6 months or more after the adoption of final FATCA regulations regarding non-U.S. issuers may be subject to FATCA withholding. Final FATCA regulations addressing non-U.S. issuers have not been issued as of the date hereof. If, however, the notes are considered as significantly modified under U.S. tax law in the future, there can be no assurance that the notes will not be considered debt obligations subject to FATCA. If FATCA withholding is imposed, Additional Amounts would be payable in respect thereof and, as a result, the cost of making payments on the notes would increase and it may be more difficult for us to satisfy our obligations with respect to the notes. You should consult your tax advisors regarding FATCA and how it may affect your investment in the notes. For more information, see "Certain Material U.S. Federal Income Tax Considerations."

Crown's and Empaque's actual financial positions and results of operations may differ materially from the unaudited combined financial data included in this offering memorandum.

The combined financial information contained in this offering memorandum is presented for illustrative purposes only and may not be an indication of what Crown's financial position or results of operations would have been had the Empaque acquisition been completed on the date indicated. The combined financial information has not been prepared in accordance with the requirements of Regulation S-X or any other securities laws relating to the presentation of pro forma financial information, and is not in compliance with Article 11 of Regulation S-X. The combined financial information is presented for information purposes only and does not purport to represent what our actual financial position or results or operations would have been if the recently completed acquisitions had been completed as of an earlier date or that may be achieved in the future. See "Summary—Summary Historical and Adjusted Consolidated Condensed Financial Data."

Risks Related to Crown's Business

Crown's international operations, which generated approximately 76% of its consolidated net sales in 2014, are subject to various risks that may lead to decreases in its financial results.

Crown is an international company, and the risks associated with operating in foreign countries may have a negative impact on Crown's liquidity and net income. Crown's international operations generated approximately 76%, 74% and 73% of its consolidated net sales in 2014, 2013 and 2012, respectively, without giving effect to the Empaque acquisition. The inclusion of Crown's recently completed acquisition of Empaque in February 2015 would increase sales generated by international operations. In addition, Crown's business strategy includes continued expansion of international activities, including within developing markets and areas, such as the Middle East, South America and Asia, that may pose greater risk of political or economic instability. Approximately 32%, 34% and 32% of Crown's consolidated net sales in 2014, 2013 and 2012, respectively, were generated outside of the developed markets in Western Europe, the United States and Canada. Furthermore, if the recent European sovereign debt crisis continues or deteriorates, there will likely be a negative effect on Crown's European business, as well as the businesses of Crown's European customers and suppliers. If this crisis ultimately leads to a significant devaluation of the euro, the value of Crown's and Crown European Holdings' financial assets that are denominated in euros would be significantly reduced when translated to U.S. dollars for financial reporting purposes. Any of these conditions could ultimately harm Crown's overall business, prospects, operating results, financial condition and cash flows.

Emerging markets are a focus of Crown's international growth strategy. The developing nature of these markets and the nature of Crown's international operations generally are subject to various risks, including:

- foreign government's restrictive trade policies;
- inconsistent product regulation or policy changes by foreign agencies or governments;
- duties, taxes or government royalties, including the imposition or increase of withholding and other taxes on remittances and other payments by non-U.S. subsidiaries;
- customs, import/export and other trade compliance regulations;
- foreign exchange rate risks;
- difficulty in collecting international accounts receivable and potentially longer payment cycles;
- increased costs in maintaining international manufacturing and marketing efforts;
- non-tariff barriers and higher duty rates;
- difficulties associated with expatriating cash generated or held abroad in a tax-efficient manner and changes in tax laws;

- difficulties in enforcement of contractual obligations and intellectual property rights and difficulties in protecting intellectual property or sensitive commercial and operations data or information technology systems generally;
- exchange controls;
- national and regional labor strikes;
- geographic, language and cultural differences between personnel in different areas of the world;
- high social benefit costs for labor, including costs associated with restructurings;
- civil unrest or political, social, legal and economic instability, such as recent political turmoil in the Middle East;
- product boycotts, including with respect to the products of Crown’s multi-national customers;
- customer, supplier, and investor concerns regarding operations in areas such as the Middle East;
- taking of property by nationalization or expropriation without fair compensation;
- imposition of limitations on conversions of foreign currencies into dollars or payment of dividends and other payments by non-U.S. subsidiaries;
- hyperinflation and currency devaluation in certain foreign countries where such currency devaluation could affect the amount of cash generated by operations in those countries and thereby affect Crown’s ability to satisfy its obligations;
- war, civil disturbance, global or regional catastrophic events, natural disasters, such as flooding in Southeast Asia, widespread outbreaks of infectious diseases, including in emerging markets, and acts of terrorism;
- geographical concentration of Crown’s factories and operations and regional shifts in its customer base;
- periodic health epidemic concerns;
- the complexity of managing global operations; and
- compliance with applicable anti-corruption or anti-bribery laws.

There can be no guarantee that a deterioration of economic conditions in countries in which Crown operates or may seek to operate in the future would not have a material impact on Crown’s results of operations.

As Crown seeks to expand its business globally, growth opportunities may be impacted by greater political, economic and social uncertainty and the continuing and accelerating globalization of businesses could significantly change the dynamics of Crown’s competition, customer base and product offerings.

Crown’s efforts to grow its businesses depend to a large extent upon access to, and its success in developing market share and operating profitably in, additional geographic markets including but not limited to the Middle East, South America, Eastern Europe and Asia. In some cases, countries in these regions have greater political and economic volatility, greater vulnerability to infrastructure and labor disruptions and differing local customer product preferences and requirements than Crown’s other markets. Operating and seeking to expand business in a number of different regions and countries exposes Crown to multiple and potentially conflicting cultural practices, business practices and legal and regulatory requirements that are subject to change, including those related to tariffs and trade barriers, investments, property ownership rights, taxation and repatriation of earnings and advanced technologies. Such expansion efforts may also use capital and other resources of Crown that could be invested in other areas. Expanding business operations globally also increases exposure to currency fluctuations which can materially affect Crown's financial results. As these emerging geographic markets become more important to Crown, its competitors are also seeking to expand their production capacities and sales in these same markets, which may lead to industry overcapacity that could adversely affect pricing, volumes and financial results in such markets. Although Crown is taking measures to adapt to these changing circumstances, Crown's reputation and/or business results could be negatively affected should these efforts prove unsuccessful.

Crown may not be able to manage its anticipated growth, and it may experience constraints or inefficiencies caused by unanticipated acceleration and deceleration of customer demand.

Unanticipated acceleration and deceleration of customer demand for Crown's products may result in constraints or inefficiencies related to Crown's manufacturing, sales force, implementation resources and administrative infrastructure, particularly in emerging markets where Crown is seeking to expand production. Such constraints or inefficiencies may adversely affect Crown as a result of delays, lost potential product sales or loss of current or potential customers due to their dissatisfaction. Similarly, over-expansion, including as a result of overcapacity due to expansion by Crown's competitors, or investments in anticipation of growth that does not materialize, or develops more slowly than Crown expects, could harm Crown's financial results and result in overcapacity.

To manage Crown's anticipated future growth effectively, Crown must continue to enhance its manufacturing capabilities and operations, information technology infrastructure, and financial and accounting systems and controls. Organizational growth and scale-up of operations could strain its existing managerial, operational, financial and other resources. Crown's growth requires significant capital expenditures and may divert financial resources from other projects, such as the development of new products or enhancements of existing products or reduction of Crown's outstanding indebtedness. If Crown's management is unable to effectively manage Crown's growth, its expenses may increase more than expected, its revenue could grow more slowly than expected and it may not be able to achieve its research and development and production goals. Crown's failure to manage its anticipated growth effectively could have a material effect on its business, operating results or financial condition.

Crown's profits will decline if the price of raw materials or energy rises and it cannot increase the price of its products, and Crown's financial results could be adversely affected if Crown was not able to obtain sufficient quantities of raw materials.

Crown uses various raw materials, such as steel, aluminum, tin, water, natural gas, electricity and other processed energy, in its manufacturing operations. Sufficient quantities of these raw materials may not be available in the future or may be available only at increased prices. Crown's raw material supply contracts vary as to terms and duration, with steel contracts typically one year in duration with fixed prices and aluminum contracts typically multi-year in duration with fluctuating prices based on aluminum ingot costs. The availability of various raw materials and their prices depends on global and local supply and demand forces, governmental regulations (including tariffs), level of production, resource availability, transportation, and other factors, including natural disasters such as floods and earthquakes. In particular, in recent years the consolidation of steel suppliers, shortage of raw materials affecting the production of steel and the increased global demand for steel, including in China and other developing countries, have contributed to an overall tighter supply for steel, resulting in increased steel prices and, in some cases, special surcharges and allocated cut backs of products by steel suppliers. In addition, future steel supply contracts may provide for prices that fluctuate or adjust rather than provide a fixed price during a one-year period. As a result of continuing global supply and demand pressures, other commodity-related costs affecting its business may increase as well, including natural gas, electricity and freight-related costs.

The prices of certain raw materials used by Crown, such as steel, aluminum and processed energy, have historically been subject to volatility. In 2014, consumption of steel and aluminum represented 27% and 37%, respectively, of Crown's consolidated cost of products sold, excluding depreciation and amortization. While certain, but not all, of Crown's contracts pass through raw material costs to customers, Crown may be unable to increase its prices to offset increases in raw material costs without suffering reductions in unit volume, revenue and operating income. In addition, any price increases may take effect after related cost increases, reducing operating income in the near term. Significant increases in raw material costs may increase Crown's working capital requirements, which may increase Crown's average outstanding indebtedness and interest expense and may exceed the amounts available under Crown's senior secured credit facilities and other sources of liquidity. In addition, Crown hedges raw material costs on behalf of certain customers and may suffer losses if such customers are unable to satisfy their purchase obligations.

If Crown is unable to purchase steel, aluminum or other raw materials for a significant period of time, Crown's operations would be disrupted and any such disruption may adversely affect Crown's financial results. If customers believe that Crown's competitors have greater access to raw materials, perceived certainty of supply at Crown's competitors may put Crown at a competitive disadvantage regarding pricing and product volumes.

Crown is subject to the effects of fluctuations in foreign exchange rates, which may reduce its net sales and cash flow.

Crown is exposed to fluctuations in foreign currencies as a significant portion of its consolidated net sales, its costs, assets and liabilities, are denominated in currencies other than the U.S. dollar. For the years ended December 31, 2014, 2013 and 2012, Crown derived approximately 76%, 74% and 73%, respectively, of its consolidated net sales from its international operations, without giving effect to the Empaque acquisition. The recent acquisition of Empaque will increase Crown's sales in foreign currencies. In its consolidated financial statements, Crown translates local currency financial results into U.S. dollars based on average exchange rates prevailing during a reporting period. During times of a strengthening U.S. dollar, its reported international revenue and earnings will be reduced because the local currency will translate into fewer U.S. dollars. Conversely, a weakening U.S. dollar will effectively increase the dollar-equivalent of Crown's expenses and liabilities denominated in foreign currencies. Crown's translation and exchange adjustments decreased reported income before tax by $14 million in 2014 and $3 million in 2013 and increased reported income before tax by $1 million in 2012. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Market Risk." Although Crown may use financial instruments such as foreign currency forwards from time to time to reduce its exposure to currency exchange rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, there can be no assurance that such agreements will achieve the desired effect.

For the year-ended December 31, 2014, a 0.10 movement in the average euro rate would have reduced net income by $15 million.

Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce Crown's cash flow and negatively impact its financial condition.

Crown Cork, a wholly-owned subsidiary of Crown, is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. In 1963, Crown Cork acquired a subsidiary that had two operating businesses, one of which is alleged to have manufactured asbestos-containing insulation products. Crown Cork believes that the business ceased manufacturing such products in 1963.

Crown recorded pre-tax charges of $45 million, $32 million and $35 million to increase its accrual for asbestos-related liabilities in 2014, 2013, and 2012, respectively. As of December 31, 2014, Crown Cork's accrual for pending and future asbestos-related claims and related legal costs was $275 million, including $231 million for unasserted claims. Crown Cork's accrual includes estimated probable costs for claims through the year 2024. Crown Cork's accrual excludes potential costs for claims beyond 2024 because Crown believes that the key assumptions underlying its accrual are subject to greater uncertainty as the projection period lengthens. Assumptions underlying the accrual include that claims for exposure to asbestos that occurred after the sale of the subsidiary's insulation business in 1964 would not be entitled to settlement payouts and that state statutes described under Note M to Crown's audited consolidated financial statements included in this offering memorandum, including Texas and Pennsylvania statutes, are expected to have a highly favorable impact on Crown Cork's ability to settle or defend against asbestos-related claims in those states and other states where Pennsylvania law may apply.

Crown Cork had approximately 54,000 asbestos-related claims outstanding at December 31, 2014. Of these claims, approximately 16,000 claims relate to claimants alleging first exposure to asbestos after 1964 and approximately 38,000 relate to claimants alleging first exposure to asbestos before or during 1964, of which approximately 13,000 were filed in Texas, 2,000 were filed in Pennsylvania, 6,000 were filed in other states that have enacted asbestos legislation and 17,000 were filed in other states. The outstanding claims at December 31, 2014 exclude approximately 19,000 inactive claims. Due to the passage of time, Crown considers it unlikely that the plaintiffs in these cases will pursue further action. The exclusion of these inactive claims had no effect on the calculation of Crown's accrual as the claims were filed in states where Crown's liability is limited by statute. Crown devotes significant time and expense to defend against these various claims, complaints and proceedings, and there can be no assurance that the expenses or distractions from operating Crown's businesses arising from these defenses will not increase materially.

During the year ended December 31, 2014, Crown Cork received approximately 3,000 new claims and settled or dismissed approximately 2,000 claims.

On October 22, 2010, the Texas Supreme Court, in a 6-2 decision, reversed a lower court decision, Barbara Robinson v. Crown Cork & Seal Company, Inc., No. 14-04-00658-CV, Fourteenth Court of Appeals, Texas, which had upheld the dismissal of an asbestos-related case against Crown Cork. The Texas Supreme Court held that the Texas legislation was unconstitutional under the Texas Constitution when applied to asbestos-related claims pending against Crown Cork when the legislation was enacted in June of 2003. Crown believes that the decision of the Texas Supreme Court is limited to retroactive application of the Texas legislation to asbestos-related cases that were pending against Crown Cork in Texas on June 11, 2003 and therefore continues to assign no value to claims filed after June 11, 2003.

Crown Cork made cash payments of $30 million in 2014 and $28 million in each of 2013 and 2012 for asbestos-related claims, including settlement payments and legal fees. These payments have reduced and any such future payments will reduce the cash flow available to Crown Cork for its business operations and debt payments.

Asbestos-related payments, including defense costs, may be significantly higher than those estimated by Crown Cork because the outcome of this type of litigation (and, therefore, Crown Cork's reserve) is subject to a number of assumptions and uncertainties, such as the number or size of asbestos-related claims or settlements, the number of financially viable responsible parties, the extent to which state statutes relating to asbestos liability are upheld and/or applied by the courts, Crown Cork's ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the potential impact of any pending or future asbestos-related legislation. Accordingly, Crown Cork may be required to make payments for claims substantially in excess of its accrual, which could reduce Crown's cash flow and impair its ability to satisfy its obligations. As a result of the uncertainties regarding its asbestos-related liabilities and its reduced cash flow, the ability of Crown to raise new money in the capital markets is more difficult and more costly, and Crown may not be able to access the capital markets in the future. Further information regarding Crown Cork's asbestos-related liabilities is presented within "Management's Discussion and

Analysis of Financial Condition and Results of Operations” under the headings, “Provision for Asbestos” and “Critical Accounting Policies” and under Note M to Crown’s audited consolidated financial statements included in this offering memorandum.

Crown has significant pension plan obligations worldwide and significant unfunded postretirement obligations, which could reduce its cash flow and negatively impact its results of operations and its financial condition.

Crown sponsors various pension plans worldwide, with the largest funded plans in the United Kingdom, the United States and Canada. In 2014, 2013, and 2012, Crown contributed $81 million, $84 million and $102 million, respectively, to its pension plans. Pension expense was $56 million in 2014 and is expected to be $42 million in 2015. A 0.25% change in the 2015 expected rate of return assumptions would change 2015 pension expense by approximately $12 million. A 0.25% change in the discount rates assumptions as of December 31, 2014 would change 2015 pension expense by approximately $3 million. Crown may be required to accelerate the timing of its contributions under its pension plans. The actual impact of any accelerated funding will depend upon the interest rates required for determining the plan liabilities and the investment performance of plan assets. An acceleration in the timing of pension plan contributions could decrease Crown’s cash available to pay its outstanding obligations and its net income and increase Crown’s outstanding indebtedness.

Based on current assumptions, Crown expects to make pension contributions of $76 million in 2015, $108 million in 2016, $78 million in 2017, $82 million in 2018 and $89 million in 2019 including its supplemental executive retirement plan.

The difference between pension plan obligations and assets, or the funded status of the plans, significantly affects the net periodic benefit costs of Crown’s pension plans and the ongoing funding requirements of those plans. Among other factors, significant volatility in the equity markets and in the value of illiquid alternative investments, changes in discount rates, investment returns and the market value of plan assets can substantially increase Crown’s future pension plan funding requirements and could have a negative impact on Crown’s results of operations and profitability. See Note V to Crown’s audited consolidated financial statements included in this offering memorandum. While its U.S. funded pension plan continues in effect, Crown continues to incur additional pension obligations. Crown’s pension plan assets consist primarily of common stocks and fixed income securities and also include alternative investments such as interests in private equity and hedge funds. If the performance of plan assets does not meet Crown’s assumptions or discount rates continue to decline, the underfunding of the pension plan may increase and Crown may have to contribute additional funds to the pension plan, and its pension expense may increase. In addition, Crown’s supplemental executive retirement plan and retiree medical plans are unfunded.

Crown’s U.S. funded pension plan is subject to the Employee Retirement Income Security Act of 1974, or ERISA. Under ERISA, the Pension Benefit Guaranty Corporation, or PBGC, has the authority to terminate an underfunded plan under certain circumstances. In the event its U.S. pension plan is terminated for any reason while the plan is underfunded, Crown will incur a liability to the PBGC that will be equal to the entire amount of the underfunding, which under certain circumstances may be senior to the notes. In addition, as of December 31, 2014 the unfunded accumulated postretirement benefit obligation, as calculated in accordance with U.S. GAAP, for retiree medical benefits was approximately $241 million, based on assumptions set forth under Note V to Crown’s audited consolidated financial statements included in this offering memorandum.

In relation to our U.K. pension plan, the trustees are authorized to accelerate the required payment of future contribution obligations if they have received actuarial advice that the plan is incapable of paying all the benefits that have or will become due for payment as they become due. If the trustees of our U.K. pension plan were to be so advised and took such a step, our U.K. subsidiary would be required to meet the full balance of the cost of securing the benefits provided by the plan through the purchase of annuities from an insurance company, to the extent that it was able to do so. The cost would be likely to exceed the amount of any deficit under the plan while the plan was ongoing.

Acquisitions or investments that Crown may pursue could be unsuccessful, consume significant resources and require the incurrence of additional indebtedness.

Crown may consider acquisitions and investments that complement its existing business. These possible acquisitions and investments may involve significant cash expenditures, debt incurrence (including the incurrence of additional indebtedness under Crown's senior secured revolving credit facilities or other secured or unsecured debt), operating losses and expenses that could have a material effect on Crown's financial condition and operating results.

In particular, if Crown incurs additional debt, Crown's liquidity and financial stability could be impaired as a result of using a significant portion of available cash or borrowing capacity to finance an acquisition. Moreover, Crown may face an increase in interest expense or financial leverage if additional debt is incurred to finance an acquisition, which may, among other things, adversely affect Crown's various financial ratios and Crown's compliance with the conditions of its existing indebtedness. In addition, such additional indebtedness may be incurred under Crown's senior secured credit facilities or otherwise secured by liens on Crown's assets, in which case the notes and the note guarantees would be effectively subordinated to the additional debt. See "Description of Certain Indebtedness."

Acquisitions involve numerous other risks, including:

- diversion of management time and attention;
- failures to identify material problems and liabilities of acquisition targets or to obtain sufficient indemnification rights to fully offset possible liabilities related to the acquired businesses;
- difficulties integrating the operations, technologies and personnel of the acquired businesses;
- inefficiencies and complexities that may arise due to unfamiliarity with new assets, businesses or markets;
- disruptions to Crown's ongoing business;
- inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets which would reduce future reported earnings;
- the inability to obtain required financing for the new acquisition or investment opportunities and Crown's existing business;
- potential loss of key employees, contractual relationships, suppliers or customers of the acquired businesses or of Crown; and
- inability to obtain required regulatory approvals.

To the extent Crown pursues an acquisition that causes it to incur unexpected costs or that fails to generate expected returns, Crown's financial position, results of operations and cash flows may be adversely affected, and Crown's ability to service its indebtedness, including the notes, may be negatively impacted.

Crown's principal markets may be subject to overcapacity and intense competition, which could reduce Crown's net sales and net income.

Food and beverage cans are standardized products, allowing for relatively little differentiation among competitors. This could lead to overcapacity and price competition among food and beverage can producers, if capacity growth outpaced the growth in demand for food and beverage cans and overall manufacturing capacity exceeded demand. These market conditions could reduce product prices and contribute to declining revenue and net income and increasing debt balances. As a result of industry overcapacity and price competition, Crown may not be able to increase prices sufficiently to offset higher costs or to generate sufficient cash flow. The North American and Western Europe food and beverage can markets, in particular, are considered to be mature markets, characterized by slow growth and a sophisticated distribution system. Competitive pricing pressures, overcapacity, the failure to develop new product designs and technologies for products, as well as other factors could cause Crown to lose existing business or opportunities to generate new business and could result in decreased cash flow and net income.

Crown is subject to competition from substitute products and decreases in demand for its products, which could result in lower profits and reduced cash flows.

Crown is subject to substantial competition from producers of alternative packaging made from glass, paper, flexible materials and plastic. Crown's sales depend heavily on the volumes of sales by Crown's customers in the food and beverage markets. Changes in preferences for products and packaging by consumers of prepackaged food and beverage cans significantly influence Crown's sales. Changes in packaging by Crown's customers may require Crown to re-tool manufacturing operations, which could require material expenditures. In addition, a decrease in the costs of, or a further increase in consumer demand for, alternative packaging could result in lower profits and reduced cash flows for Crown. For example, increases in the price of aluminum and steel and decreases in the price of plastic resin, which is a petrochemical product and may fluctuate with prices in the oil and gas market, may increase substitution of plastic food and beverage containers for metal containers or increases in the price of steel may increase substitution of aluminum packaging for aerosol products. Moreover, due to its high percentage of fixed costs, Crown may be unable to maintain its gross margin at past levels if it is not able to achieve high capacity utilization rates for its production equipment. In periods of low world-wide demand for its products, Crown experiences relatively low capacity utilization rates in its operations, which can lead to reduced margins during that period and can have an adverse effect on Crown's business.

Crown's business results depend on its ability to understand its customers' specific preferences and requirements, and to develop, manufacture and market products that meet customer demand.

Crown's ability to develop new product offerings for a diverse group of global customers with differing preferences, while maintaining functionality and spurring innovation, is critical to its success. This requires a thorough understanding of Crown's existing and potential customers on a global basis, particularly in potential high growth emerging markets, including the Middle East, South America, Eastern Europe and Asia. Failure to deliver quality products that meet customer needs ahead of competitors could have a significant adverse effect on Crown's business.

The loss of a major customer and/or customer consolidation could reduce Crown's net sales and profitability.

Many of Crown's largest customers have acquired companies with similar or complementary product lines. This consolidation has increased the concentration of Crown's business with its largest customers. In many cases, such consolidation has been accompanied by pressure from customers for lower prices, reflecting the increase in the total volume of product purchased or the elimination of a price differential between the acquiring customer and the company acquired. Increased pricing pressures from Crown's customers may reduce Crown's net sales and net income.

The majority of Crown's sales are to companies that have leading market positions in the sale of packaged food, beverages and household products to consumers. Although no one customer accounted for more than 10% of its net sales in the years ended 2014, 2013 or 2012, the loss of any of its major customers, a reduction in the purchasing levels of these customers or an adverse change in the terms of supply agreements with these customers could reduce Crown's net sales and net income. A continued consolidation of Crown's customers could exacerbate any such loss.

Crown's business is seasonal and weather conditions could reduce Crown's net sales.

Crown manufactures packaging primarily for the food and beverage can market. Its sales can be affected by weather conditions. Due principally to the seasonal nature of the soft drink, brewing, iced tea and other beverage industries, in which demand is stronger during the summer months, sales of Crown's products have varied and are expected to vary by quarter. Shipments in the United States and Europe are typically greater in the second and third quarters of the year. Unseasonably cool weather can reduce consumer demand for certain beverages packaged in its containers. In addition, poor weather conditions that reduce crop yields of packaged foods can decrease customer demand for its food containers.

Crown is subject to costs and liabilities related to stringent environmental and health and safety standards.

Laws and regulations relating to environmental protection and health and safety may increase Crown's costs of operating and reduce its profitability. Crown's operations are subject to numerous U.S. federal and state and non-U.S. laws and regulations governing the protection of the environment, including those relating to treatment, storage and disposal of waste, the use of chemicals in Crown's products and manufacturing process (including those requiring compliance with the European Commission's registration, evaluation and authorization of chemicals (REACH) procedures), discharges into water, emissions into the atmosphere, remediation of soil and groundwater contamination, protection of employee health and safety. In addition, stricter regulations, or stricter interpretations of existing laws or regulations, may impose new liabilities on Crown. Changes in or additional health and safety laws and regulations in connection with Crown's products may also impose new requirements and costs.

Future regulations may impose stricter environmental or employee safety requirements affecting Crown's operations or may impose additional requirements regarding consumer health and safety, such as potential restrictions on the use of bisphenol-A, a starting material used to produce internal and external coatings for some food, beverage, and aerosol containers and metal closures. Although the U.S. FDA currently permits the use of bisphenol-A in food packaging materials and confirmed in a January 2010 update that studies employing standardized toxicity tests have supported the safety of current low levels of human exposure to bisphenol-A, the FDA in that January 2010 update noted that more research was needed, and further suggested reasonable steps to reduce exposure to bisphenol-A. The FDA subsequently entered into a consent decree under which it agreed to issue, by March 31, 2012, a final decision on a citizen's petition requesting the agency take further regulatory steps with regard to bisphenol-A. On March 30, 2012, the FDA denied the request, responding, in part, that the appropriate course of action was to continue scientific study and review of all new evidence regarding the safety of bisphenol-A. In March 2010, the EPA issued an action plan for bisphenol-A, which includes, among other things, consideration of whether to add bisphenol-A to the chemical concern list on the basis of potential environmental effects and use of the EPA's Design for the Environment program to encourage reductions in bisphenol-A manufacturing and use. Moreover, certain U.S. Congressional bodies, states and municipalities, as well as certain foreign nations and some member states of the European Union, such as Denmark, Belgium and France, have considered, proposed or already passed legislation banning or suspending the use of bisphenol-A in certain products or requiring warnings regarding bisphenol-A. In July 2012, the FDA banned the use of bisphenol-A in baby bottles and children's drinking cups, and in July 2013, the FDA banned the use of bisphenol-A in epoxy resins that coat infant formula cans. In the fourth quarter of 2012, the French Parliament passed a law suspending the use of bisphenol-A in food packaging beginning in 2013 for food intended for children under 3 and in 2015 for all other foods. The law also includes certain product labeling requirements. In the first quarter of 2014, the European Food Safety Authority recommended that the tolerable daily intake of bisphenol-A be lowered. Further, the U.S. or additional international, federal, state or other regulatory authorities could restrict or prohibit the use of bisphenol-A in the future. For example, the State of California is considering adding bishpenol-A to its list of hazardous chemicals based on female reproductive toxicity. If bisphenol-A is added to the list, it would trigger a requirement to include warning labels on consumer items containing bisphenol-A in excess of certain levels. In addition, recent public reports, litigation and other allegations regarding the potential health hazards of bisphenol-A could contribute to a perceived safety risk about Crown's products and adversely impact sales or otherwise disrupt Crown's business. While Crown is exploring various alternatives to the use of bisphenol-A and conversion to alternatives is underway in some applications, there can be no assurance that Crown will be completely successful in its efforts or that the alternatives will not be more costly to Crown.

Also, for example, future restrictions in some jurisdictions on air emissions of volatile organic compounds and the use of certain paint and lacquering ingredients may require Crown to employ additional control equipment or process modifications. Crown's operations and properties, both in the United States and abroad, must comply with these laws and regulations. In addition, a number of governmental authorities in the United States and abroad have introduced or are contemplating enacting legal requirements, including emissions limitations, cap and trade systems or mandated changes in energy consumption, in response to the potential impacts of climate change. Given the wide range of potential future climate change regulations in the jurisdictions in which Crown operates, the potential impact to Crown's operations is uncertain. In addition, the potential impact of climate change on Crown's operations is highly uncertain. The impact of climate change may vary by geographic location and other circumstances, including weather patterns and any impact to natural resources such as water.

A number of governmental authorities both in the United States and abroad also have enacted, or are considering, legal requirements relating to product stewardship, including mandating recycling, the use of recycled materials and/or limitations on certain kinds of packaging materials such as plastics. In addition, some companies with packaging needs have responded to such developments, and/or to perceived environmental concerns of consumers, by using containers made in whole or in part of recycled materials. Such developments may reduce the demand for some of Crown's products, and/or increase its costs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Environmental Matters."

Crown has a significant amount of goodwill that, if impaired in the future, would result in lower reported net income and a reduction of its net worth.

Impairment of Crown's goodwill would require a write down of goodwill, which would reduce Crown's net income in the period of any such write down. At December 31, 2014, the carrying value of Crown's goodwill was approximately $2,671 million. Crown is required to evaluate goodwill reflected on its balance sheet at least annually, or when circumstances indicate a potential impairment. If it determines that the goodwill is impaired, Crown would be required to write off a portion or all of the goodwill.

If Crown fails to retain key management and personnel, Crown may be unable to implement its business plan.

Members of Crown's senior management have extensive industry experience, and it might be difficult to find new personnel with comparable experience. Because Crown's business is highly specialized, Crown believes that it would also be difficult to replace its key technical personnel. Crown believes that its future success depends, in large part, on its experienced senior management team. Losing the services of key members of its management team could limit Crown's ability to implement its business plan. In addition, under Crown's unfunded Senior Executive Retirement Plan certain members of senior management are entitled to lump sum payments upon retirement or other termination of employment and a lump sum death benefit of five times the annual retirement benefit.

A significant portion of Crown's workforce is unionized and labor disruptions could increase Crown's costs and prevent Crown from supplying its customers.

A significant portion of Crown's workforce is unionized and a prolonged work stoppage or strike at any facility with unionized employees could increase its costs and prevent Crown from supplying its customers. In addition, upon the expiration of existing collective bargaining agreements, Crown may not reach new agreements without union action and any such new agreements may not be on terms satisfactory to Crown. If Crown is unable to negotiate acceptable collective bargaining agreements, it may become subject to union-initiated work stoppages, including strikes. In recent months Crown has temporarily relocated production due to a labor dispute and related work stoppage at a facility in the Americas Beverage segment. Moreover, additional groups of currently non-unionized employees may seek union representation in the future. The National Labor Relations Board ("NLRB") has adopted new regulations concerning the procedures for conducting employee representation elections that, if implemented, could make it significantly easier for labor organizations to prevail in elections. The regulations became effective on April 14, 2015, although court challenges to those regulations remain pending.

Failure by Crown's joint venture partners to observe their obligations could adversely affect the business and operations of the joint ventures and, in turn, the business and operations of Crown.

A portion of Crown's operations, including certain joint venture beverage can operations in Asia, the Middle East and South America, is conducted through certain joint ventures. Crown participates in these ventures with third parties. In the event that Crown's joint venture partners do not observe their obligations or are unable to commit additional capital to the joint ventures, it is possible that the affected joint venture would not be able to operate in accordance with its business plans or that Crown would have to increase its level of commitment to the joint venture.

If Crown fails to maintain an effective system of internal control, Crown may not be able to accurately report financial results or prevent fraud.

Effective internal controls are necessary to provide reliable financial reports and to assist in the effective prevention of fraud. Any inability to provide reliable financial reports or prevent fraud could harm Crown's business. Crown must annually evaluate its internal procedures to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which requires management and auditors to assess the effectiveness of internal controls. If Crown fails to remedy or maintain the adequacy of its internal controls, as such standards are modified, supplemented or amended from time to time, Crown could be subject to regulatory scrutiny, civil or criminal penalties or shareholder litigation.

In addition, failure to maintain adequate internal controls could result in financial statements that do not accurately reflect Crown's financial condition. There can be no assurance that Crown will be able to complete the work necessary to fully comply with the requirements of the Sarbanes-Oxley Act or that Crown's management and external auditors will continue to conclude that Crown's internal controls are effective.

Crown is subject to litigation risks which could negatively impact its operations and net income.

Crown is subject to various lawsuits and claims with respect to matters such as governmental, environmental and employee benefits laws and regulations, securities, labor, and actions arising out of the normal course of business, in addition to asbestos-related litigation described under the risk factor titled “Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce Crown’s cash flow and negatively impact its financial condition.” Crown is currently unable to determine the total expense or possible loss, if any, that may ultimately be incurred in the resolution of such legal proceedings. Regardless of the ultimate outcome of such legal proceedings, they could result in significant diversion of time by Crown’s management. The results of Crown’s pending legal proceedings, including any potential settlements, are uncertain and the outcome of these disputes may decrease its cash available for operations and investment, restrict its operations or otherwise negatively impact its business, operating results, financial condition and cash flow.

In March 2015, the *Bundeskartellamt*, or German Federal Cartel Office (“FCO”), conducted unannounced inspections of the premises of several metal packaging manufacturers, including one of our German subsidiaries. The local court order authorizing the inspection cited FCO suspicions of anti-competitive agreements in the market for the supply of metal packaging products. The FCO’s investigation is ongoing. To date, the FCO has not officially charged Crown or any of its subsidiaries with any violations of competition law. Crown has commenced an internal investigation into the matter. If the FCO finds that the Company or any of its subsidiaries violated competition law, the FCO has the authority to levy fines, which could be material. At this stage Crown is unable to predict the ultimate outcome of the FCO’s investigation and any potential loss cannot be estimated.

The downturn in certain global economies could have adverse effects on Crown.

The downturn in certain global economies could have significant adverse effects on Crown’s operations, including as a result of any the following:

- downturns in the business or financial condition of any of Crown’s key customers or suppliers, potentially resulting in customers’ inability to pay Crown’s invoices as they become due or at all or suppliers’ failure to fulfill their commitments;
- potential losses associated with hedging activity by Crown for the benefit of Crown’s customers including counterparty risk associated with such hedging activity, or cost impacts of changing suppliers;
- a decline in the fair value of Crown’s pension assets or a decline in discount rates used to measure Crown’s pension obligations, potentially requiring Crown to make significant additional contributions to its pension plans to meet prescribed funding levels;
- the deterioration of any of the lending parties under Crown’s senior secured revolving credit facilities or the creditworthiness of the counterparties to Crown’s derivative transactions, which could result in such parties’ failure to satisfy their obligations under their arrangements with Crown;
- noncompliance with the covenants under Crown’s indebtedness as a result of a weakening of Crown’s financial position or results of operations; and
- the lack of currently available funding sources, which could have a negative impact upon the liquidity of Crown as well as that of its customers and suppliers.

Crown relies on its information technology and the failure or disruption of its information technology could disrupt its operations and adversely affect its results of operations.

Crown’s business increasingly relies on the successful and uninterrupted functioning of its information technology systems to process, transmit, and store electronic information. A significant portion of the communication between Crown’s personnel around the world, customers, and suppliers depends on information technology. As with all large systems, Crown’s information technology systems may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components thereof, power outages, hardware failures, computer viruses, attacks by computer hackers, telecommunication failures, user errors or catastrophic events. In addition, security breaches could result in unauthorized disclosure of confidential information.

The concentration of processes in shared services centers means that any disruption could impact a large portion of Crown's business within the operating zones served by the affected service center. If Crown does not allocate, and effectively manage, the resources necessary to build, sustain and protect the proper technology infrastructure, Crown could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, the loss of or damage to intellectual property through security breach, as well as potential civil liability and fines under various states' laws in which Crown does business. Crown's information technology system could also be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes. In addition, if Crown's information technology systems suffer severe damage, disruption or shutdown and Crown's business continuity plans do not effectively resolve the issues in a timely manner, Crown may lose revenue and profits as a result of its inability to timely manufacture, distribute, invoice and collect payments from its customers, and could experience delays in reporting its financial results, including with respect to Crown's operations in emerging markets. Furthermore, if Crown is unable to prevent security breaches, it may suffer financial and reputational damage because of lost or misappropriated confidential information belonging to Crown or to its customers or suppliers. Failure or disruption of these systems, or the back-up systems, for any reason could disrupt Crown's operations and negatively impact Crown's cash flows or financial condition.

Potential U.S. tax law changes could increase Crown's U.S. tax expense on its overseas earnings which could have a negative impact on its after-tax income and cash flow.

Legislative proposals have been made to reform the deferral of U.S. taxes on non-U.S. earnings (including as part of President Obama's Budget of the United States Government for 2016), which could significantly change the timing and extent of taxation on Crown's unrepatriated non-U.S earnings. The most recent proposals would, among other items, subject to U.S. tax all previously unrepatriated non-U.S. earnings and all future non-U.S. earnings even if not repatriated and further limit foreign tax credits. Past proposals, as set out in various draft Congressional legislative proposals which were not enacted, would defer interest expense and other deductions allocable to non-U.S earnings until earnings are repatriated that, if enacted, could result in Crown not being able to currently deduct a significant portion of its interest expense. It is unclear whether these proposed tax revisions will be enacted or reintroduced by Congress or, if enacted, what the precise scope of the revisions will be. However, depending on their content, such proposals could have a material adverse effect on Crown's after-tax income and cash flow.

Changes in accounting standards, taxation requirements and other law could negatively affect Crown's financial results.

New accounting standards or pronouncements that may become applicable to Crown from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on Crown's reported results for the affected periods. Crown is also subject to income tax in the numerous jurisdictions in which Crown operates. Increases in income tax rates or other changes to tax laws could reduce Crown's after-tax income from affected jurisdictions or otherwise affect Crown's tax liability. In addition, Crown's products are subject to import and excise duties and/or sales or value-added taxes in many jurisdictions in which it operates. Increases in indirect taxes could affect Crown's products' affordability and therefore reduce demand for its products.

Crown may experience significant negative effects to its business as a result of new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of certain types of beverages.

Public health officials and government officials have become increasingly concerned about the public health consequences associated with over-consumption of certain types of beverages, such as sugar beverages and including those sold by certain of Crown's significant customers. Possible new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of these beverages may significantly reduce demand for the beverages of Crown's customers, which could in turn affect demand of Crown's customers for Crown's products. For example, members of the U.S. Congress recently raised the possibility of a federal tax on the sale of certain beverages, including non-diet soft drinks, fruit drinks, teas and flavored waters. Some state governments are also considering similar taxes. If enacted, such taxes could materially adversely affect Crown's business and financial results.

The loss of Crown's intellectual property rights may negatively impact its ability to compete.

If Crown is unable to maintain the proprietary nature of its technologies, its competitors may use its technologies to compete with it. Crown has a number of patents covering various aspects of its products, including its SuperEnd® beverage can end, whose primary patent expires in 2016, Easylift™ full aperture steel food can ends, PeelSeam™ flexible lidding and Ideal™ product line. Crown's patents may not withstand challenge in litigation, and patents do not ensure that competitors will not develop competing products or infringe upon Crown's patents. Moreover, the costs of litigation to defend Crown's patents could be substantial and may outweigh the benefits of enforcing its rights under its patents. Crown markets its products internationally and the patent laws of foreign countries may offer less protection than the patent laws of the United States. Not all of Crown's domestic patents have been registered in other countries. Crown also relies on trade secrets, know-how and other unpatented proprietary technology, and others may independently develop the same or similar technology or otherwise obtain access to Crown's unpatented technology. In addition, Crown has from time to time received letters from third parties suggesting that it may be infringing on their intellectual property rights, and third parties may bring infringement suits against Crown, which could result in Crown needing to seek licenses from these third parties or refraining altogether from use of the claimed technology.

Demand for Crown's products could be affected by changes in laws and regulations applicable to food and beverages and changes in consumer preferences.

Crown manufactures and sells packaging primarily for the food and beverage can market. As a result, many of Crown's products come into direct contact with food and beverages. Accordingly, our products must comply with various laws and regulations for food and beverages applicable to our customers. Changes in such laws and regulations could negatively impact our customers' demand for our products as they comply with such changes and/or require us to make changes to our products. Such changes to our products could include modifications to the coatings and compounds that Crown uses, possibly resulting in the incurrence by us of additional costs. Additionally, because many of our products are used to package consumer goods, we are subject to a variety of risks that could influence consumer behavior and negatively impact demand for our products, including changes in consumer preferences driven by various health-related concerns and perceptions.

We may not be able to use all of our foreign tax credit carryforwards in the event we undergo an ownership change as defined by the U.S. Internal Revenue Code of 1986.

We have substantial foreign tax carryforwards that can, subject to complex limitations, reduce U.S. taxes owed on foreign income. In the event we undergo an ownership change as determined under the Internal Revenue Code, our use of those foreign tax credit carryovers may be severely curtailed under section 383 of the Internal Revenue Code. An ownership change may occur if the percentage of our stock owned by one or more 5% shareholders increases by more than 50 percentage points over the lowest percentage of our stock owned by those shareholders, measured over a three year period.

USE OF PROCEEDS

The net proceeds from the offering of the notes, together with other available funds (which may include borrowings under Crown's revolving credit facility), will be used to repay Crown Americas's Term Loan B facility, to pay fees and expenses associated with the offering of the notes and for general corporate purposes.

The Term Loan B facility bears interest at a rate of LIBOR plus 3.25%, subject to a LIBOR floor of 0.75%, and matures in February 2022. See "Description of Certain Indebtedness."

Certain of the initial purchasers or their affiliates are lenders under Crown Americas's Term Loan B facility, and to the extent indebtedness under Crown Americas's Term Loan B facility is repaid using proceeds from this offering, such initial purchasers or their affiliates would receive a portion of the proceeds from this offering.

CAPITALIZATION

The following table sets forth the consolidated cash and cash equivalents and capitalization of Crown as of December 31, 2014:

- on an actual basis;
- on an as adjusted basis to give effect to the Empaque acquisition and the borrowings incurred in connection therewith; and
- as further adjusted to give adjusted effect to this offering and the application of the net proceeds therefrom as described under the caption "Use of Proceeds."

You should read this table in conjunction with "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Certain Indebtedness" and Crown's audited consolidated financial statements, the related notes and the other financial information included or incorporated by reference in this offering memorandum.

	(dollars in millions)		
	December 31, 2014		
	Actual	As Adjusted	As Further Adjusted
Cash and cash equivalents(1)	$ 965	$ 509	$ 551
Debt:			
Senior secured facilities:			
Revolving credit facilities due 2018	—	—	—
Term loan facilities(2)			
U.S. dollar at LIBOR plus 1.75% due 2018	800	875	875
Euro (€700 million at December 31, 2014) at EURIBOR plus 1.75% due 2018	847	847	847
Term Loan B facility at LIBOR plus 3.25% due 2022(3)	—	675	—
Farm credit facility at LIBOR plus 2.00% due 2019	358	358	358
Senior notes and debentures:			
U.S. dollar 6.25% Senior notes due 2021	700	700	700
Euro (€650 million at December 31, 2014) 4.0% due 2022	786	786	786
U.S. dollar 4.50% due 2023	1,000	1,000	1,000
Euro % Senior notes due 2025 offered hereby(4)	—	—	726
U.S. dollar 7.375% due 2026	350	350	350
U.S. dollar 7.50% due 2096	64	64	64
Other indebtedness in various currencies	354	354	354
Total debt	5,259	6,009	6,060
Noncontrolling interests	268	268	268
Crown Holdings shareholders' equity/(deficit)(5)	119	119	113
Total capitalization	$5,646	$ 6,396	$ 6,441

(1) As adjusted cash and cash equivalents decrease by $456 million for the purchase of Empaque. As further adjusted cash and cash equivalents decrease by $414 million, reflecting an increase of $726 million from the issuance of the notes offered hereby, offset by $9 million of fees and expenses paid in connection therewith and approximately $675 million used to repay Crown Americas's Term Loan B facility. These amounts would differ, and adjusted total debt and/or secured debt would increase, if Crown uses the proceeds from this offering not used to repay the Term Loan B facility for general corporate purposes other than repaying indebtedness under the revolving credit facilities (such as repayment of senior notes). See "Use of Proceeds."

(2) As adjusted amounts give effect to the borrowings incurred in connection with the Empaque acquisition, but do not otherwise give effect to the acquisition of Empaque during the first quarter of 2015 for approximately $1,206 million. To fund the acquisition and

pay related transaction costs, Crown Americas borrowed $75 million of additional Term Loan A and $675 million of Term Loan B. The interest rate on the Term Loan A facility is LIBOR plus 1.75% and the maturity date is in December 2018 with principal payments being made annually. The interest rate on the Term Loan B facility is LIBOR plus 3.25%, subject to a LIBOR floor of 0.75%, and the maturity date is in February 2022, with principal payments being made quarterly.

(3) In February 2015, Crown Americas borrowed $675 million under the Term Loan B facility to complete the acquisition of Empaque. The net proceeds of the offering, together with other available funds (which may include borrowings under Crown's revolving credit facility), will be used to repay Crown Americas's Term Loan B facility, to pay fees and expenses of the offering of the notes and for general corporate purposes.

(4) Consists of €600 million aggregate principal amount of senior notes offered hereby. The €600 million in aggregate principal amount of senior notes offered hereby are reflected at the December 31, 2014 U.S. dollar equivalent of $726 million. The April 24, 2015 U.S. dollar equivalent for the €600 million in aggregate principal amount of senior notes offered hereby is equal to $652 million.

(5) As further adjusted amount reflects the write off of $6 million of unamortized debt issue costs.

SELECTED HISTORICAL FINANCIAL DATA FOR CROWN

The following table sets forth selected historical consolidated condensed financial data for Crown. The summary of operations data and other financial data for each of the years in the three-year period ended December 31, 2014 and the balance sheet data as of December 31, 2013 and 2014 have been derived from Crown's audited consolidated financial statements and the notes thereto appearing elsewhere in this offering memorandum. The December 31, 2012 balance sheet data have been derived from Crown's audited consolidated financial statements which do not appear herein. You should read the following financial information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Crown's audited consolidated financial statements, the related notes and the other financial information included and incorporated by reference in this offering memorandum.

	(dollars in millions)		
	Year Ended December 31,		
	2012	2013	2014
Summary of Operations Data:			
Net sales	$8,470	$8,656	$9,097
Cost of products sold, excluding depreciation and amortization	7,013	7,180	7,525
Depreciation and amortization	180	134	190
Gross profit	1,277	1,342	1,382
Selling and administrative expense	382	425	398
Provision for asbestos	35	32	45
Restructuring and other	—	34	129
Loss from early extinguishments of debt	—	41	34
Interest expense, net of income	219	231	246
Foreign exchange	(1)	3	14
Income before income taxes and equity earnings	642	576	516
Provision for/(benefit from) income taxes	(17)	148	41
Equity earnings	5	—	—
Net income	664	428	475
Net income attributable to noncontrolling interests	(105)	(104)	(88)
Net income attributable to Crown Holdings	$ 559	$ 324	$ 387

	(dollars in millions)		
	Year Ended December 31,		
	2012	2013	2014
Other Financial Data:			
Net cash flows provided by/(used in):			
Operating activities	$ 621	$ 885	$ 912
Investing activities	(362)	(246)	(1,021)
Financing activities	(254)	(306)	445
Capital expenditures	324	275	328
Ratio of earnings to fixed charges(1)	3.5x	3.2x	2.9x
Balance Sheet Data (at end of period):			
Cash and cash equivalents	$ 350	$ 689	$ 965
Working capital	228	260	698
Total assets	7,500	8,030	9,708
Total debt	3,665	3,842	5,259
Total equity/(deficit)	129	289	387

(1) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes plus fixed charges (exclusive of interest capitalized during the period), amortization of interest previously capitalized and distributed income from less-than-50%-owned companies. Fixed charges include interest incurred, amortization of debt issue costs and the portion of rental expense that is deemed representative of an interest factor. For purposes of the covenants in the indentures governing Crown's outstanding notes, the ratio of earnings to fixed charges is defined differently.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(in millions, except per share, average settlement cost per asbestos claim, employee, shareholder and statistical data)

Introduction

The following discussion summarizes the significant factors affecting the results of operations and financial condition of Crown as of and during the three-year period ended December 31, 2014. This discussion contains forward-looking statements. Actual results could differ materially from those discussed in such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this offering memorandum, particularly under the captions “Forward-Looking Statements” and “Risk Factors.” This discussion should be read in conjunction with Crown’s audited consolidated financial statements and accompanying notes and other financial information included in this offering memorandum.

Financial information concerning Crown’s operating segments, and within selected geographic areas, is set forth below and under Note X to Crown’s audited consolidated financial statements included in this offering memorandum. Discussion of Crown’s divisions and operating segments is set forth within “Crown’s Business—Divisions and Operating Segments.”

Business Strategy and Trends

Crown’s strategy is to grow its businesses in targeted international growth markets, while improving operations and results in more mature markets through disciplined pricing, cost control and careful capital allocation.

Crown identifies and evaluates growth opportunities through line additions in existing plants, new plants in developing markets that it already knows and understands, and potential strategic acquisitions in geographic areas and product lines in which it already operates. In response to increasing global customer demand for beverage cans in non-standard sizes, commonly called “specialty cans”, Crown expects to continue to make investments in converting existing capacity or adding new capacity for non-standard can sizes. Crown rigorously evaluates each investment opportunity against a variety of metrics and every approved project is undertaken with an eye toward creating long-term shareholder value. Cash flows generated from Crown’s operations may be reinvested in the business, used for acquisitions, used to repay debt or returned to shareholders through share repurchases or possible future dividends. Following the acquisition of Empaque as described below, Crown’s primary focus in 2015 will be to utilize cash flow to reduce leverage. Crown does not presently anticipate any share repurchases or dividends in 2015.

In recent years, Crown has continued to develop its beverage can platform in emerging markets with particular focus on Asia, Brazil and Eastern Europe. Beverage can volume growth in these markets has been driven by increased per capita incomes and consumption, combined with an increased preference for cans over other forms of beverage packaging.

In April 2014, Crown completed its acquisition of Mivisa, the largest food can producer in both the Iberian Peninsula and Morocco; primarily serving vegetable, fruit, fish and meat markets. The acquisition significantly increases Crown’s presence in Spain, one of Europe’s leading agricultural economies. In connection with the acquisition, Crown divested certain Crown and Mivisa operations as a required condition for regulatory approval.

In February 2015, Crown completed its acquisition of Empaque, a leading manufacturer for the beverage industry in Mexico, from Heineken N.V., in a cash transaction valued at $1,200 subject to a purchase price adjustment. Accompanying the transaction are long-term supply agreements with

Heineken affiliates. The addition of Empaque significantly increases Crown's presence in Mexico and enhances Crown's strategic position in beverage cans, both regionally and globally.

Beverage can sales unit volumes in Crown's mature markets have been stable to slightly declining in North America and slightly increasing in Europe. Global food and aerosol can sales unit volumes have been stable to declining in recent years primarily due to lower consumer spending. While the opportunity for organic volume growth in Crown's mature markets is not comparable to that in targeted international growth markets, Crown continues to generate strong returns on invested capital and significant cash flow from these businesses. Crown monitors capacity across all of its businesses and, where necessary, may take action such as closing a plant or reducing headcount to better manage its costs. Any or all of these actions may result in additional restructuring charges in the future which may be material.

As part of Crown's efforts to manage cost, it attempts to pass-through increases in the cost of aluminum and steel to its customers. In the Americas Beverage segment, Crown has generally been able to pass-through increases in aluminum premium costs to its customers. In the European Beverage segment, Crown has generally been unable to pass-through increases in aluminum premium costs to its customers. There can be no assurance that Crown will be able to recover from its customers the impact of any such increased costs. Aluminum and steel prices can be subject to significant volatility and there has not been a consistent and predictable trend in pricing.

In assessing Crown's performance, the key performance measure used is segment income, a non-GAAP measure generally defined by Crown as gross profit excluding the impact of fair value adjustments related to the sale of inventory acquired in an acquisition and the timing impact of hedge ineffectiveness, less selling and administrative expenses.

Results of Operations

The foreign currency translation impacts referred to below were primarily due to changes in the euro and pound sterling in Crown's European segments, the Canadian dollar in Crown's Americas segments and the Chinese renminbi and Thai baht in Crown's Asia Pacific segment.

Net Sales and Segment Income

	Year Ended December 31,		
	2014	2013	2012
Net sales	$9,097	$8,656	$8,470
Beverage cans and ends as a percentage of net sales	53%	56%	55%
Food cans and ends as a percentage of net sales	30%	27%	29%

Year ended December 31, 2014 compared to 2013

Net sales increased primarily due to the impact of the Mivisa acquisition and increased global beverage can volumes, partially offset by $52 of unfavorable currency translation.

Year ended December 31, 2013 compared to 2012

Net sales increased primarily due to increased global beverage can volumes, $124 from the acquisition of Superior Multi-Packaging Ltd. ("Superior"), a listed company on the Singapore Exchange, in the fourth quarter of 2012 and $54 from the impact of foreign currency translation, partially offset by the pass-through of lower raw material costs.

Discussion and analysis of net sales and segment income by segment follows.

Americas Beverage

The Americas Beverage segment manufactures aluminum beverage cans, ends and steel crowns and supplies a variety of customers from its operations in the United States, Brazil, Canada, Colombia and Mexico. The U.S. and Canadian beverage can markets are mature markets which have experienced slightly declining volumes in recent years. In Brazil, Crown's sales unit volumes have increased in recent years primarily due to market growth. In April 2014, Crown commenced production at its new facility in Teresina, Brazil. In February 2015, Crown completed its acquisition of Empaque, a leading manufacturer of beverage packaging in Mexico. Empaque will be integrated with Crown's existing Americas Beverage business.

Net sales and segment income in the Americas Beverage segment are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$2,335	$2,289	$2,274
Segment income	334	327	311

Year ended December 31, 2014 compared to 2013

Net sales increased primarily due to $52 from increased sales unit volumes and $47 from the pass-through of higher raw material costs, primarily higher aluminum premiums, partially offset by $31 from the impact of foreign currency translation and $22 of lower sales from the closure of a manufacturing facility in Puerto Rico. In 2014, sales unit volumes were up slightly due to increases in Brazil which were partially offset by lower sales in the United States.

Segment income increased primarily due to $11 from organic growth in Brazil including the impact of the World Cup, partially offset by inefficiencies in plant operations.

Year ended December 31, 2013 compared to 2012

Net sales increased primarily due to $23 from higher sales unit volumes in Brazil, Colombia and Mexico which offset lower volumes in the United States and $7 from the impact of foreign currency translation. Sales unit volumes in Brazil were strong due to various factors, including its growing middle class, increasing disposable income and a shift in packaging mix to two-piece aluminum beverage cans from other packages.

Segment income increased primarily due to $9 from higher sales unit volumes and $11 from lower depreciation, resulting from a change in the estimated useful lives of Crown's canmaking equipment, partially offset by a benefit from reduced post-employment benefits in 2012 that did not recur in 2013.

North America Food

The North America Food segment manufactures steel and aluminum food cans and ends and metal vacuum closures and supplies a variety of customers from its operations in the United States and Canada. The North American food can and closures market is a mature market which has experienced stable to slightly declining volumes in recent years.

Net sales and segment income in the North America Food segment are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$809	$845	$876
Segment income	127	119	146

Year ended December 31, 2014 compared to 2013

Net sales decreased primarily due to $21 from lower sales unit volumes, $7 from lower customer pricing and $9 from the impact of foreign currency translation.

Segment income increased primarily due to a charge of $18 in 2013 to record a reserve against an outstanding customer receivable balance that did not recur in 2014, partially offset by the impact of competitive price compression.

Year ended December 31, 2013 compared to 2012

Net sales decreased primarily due to a 1% decline in sales unit volumes and unfavorable sales unit volume mix.

Segment income decreased primarily due to a charge of $18 to record a reserve against an outstanding receivable balance from a bankrupt customer and lower sales unit volumes.

European Beverage

Crown's European Beverage segment manufactures steel and aluminum beverage cans and ends and supplies a variety of customers from its operations throughout Europe, the Middle East and Africa. In recent years, the European beverage can market has been growing. In the first quarter of 2014, Crown increased its ownership interest in its operations in Jordan and Tunisia to 100% by purchasing the remaining noncontrolling interests.

Net sales and segment income in the European Beverage segment are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$1,708	$1,731	$1,653
Segment income	265	257	217

Year ended December 31, 2014 compared to 2013

Net sales decreased primarily due to a 1% decline in sales unit volumes and $12 from the impact of foreign currency translation. Sales unit volumes were down in Crown's Middle Eastern businesses primarily due to the ongoing conflicts in the region.

Segment income increased primarily due to improved cost performance which more than offset $18 of higher aluminum premiums.

Year ended December 31, 2013 compared to 2012

Net sales increased primarily due to 4% higher sales unit volumes, most notably in Turkey. The increase in Turkey was primarily attributable to Crown's new plant in Osmaniye, Turkey which began commercial operations in the second quarter of 2012.

Segment income increased primarily due to $12 from higher sales unit volumes, $13 from lower depreciation resulting from a change in the estimated useful lives of Crown's canmaking equipment and from improved cost performance.

European Food

The European Food segment manufactures steel and aluminum food cans, ends and metal vacuum closures, and supplies a variety of customers from its operations throughout Europe and Africa. The European food can market is a mature market which has experienced stable to slightly declining volumes in recent years. In April 2014, Crown completed its acquisition of Mivisa and in June divested certain Crown and Mivisa operations as required for regulatory approval.

Net sales and segment income in the European Food segment are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$2,197	$1,751	$1,793
Segment income	221	144	180

Year ended December 31, 2014 compared to 2013

Net sales increased primarily due to a 25% increase in sales unit volumes including the impact of the Mivisa acquisition and strong unit volumes across many countries including France, Germany and Italy.

Segment income increased primarily due to contributions from the Mivisa acquisition, $11 from improved cost performance and a charge of $21 in 2013 to record a reserve against a portion of an outstanding customer receivable balance that did not recur in 2014.

Year ended December 31, 2013 compared to 2012

Net sales decreased primarily due to $59 from lower selling prices reflecting the pass-through of lower material costs and the impact of competitive price compression and $24 from unfavorable sales unit volumes and mix. These decreases were partially offset by $41 from the impact of foreign currency translation.

Segment income decreased primarily due to the impact of competitive price compression, $14 from unfavorable sales unit volumes and mix and a charge of $21 to record a reserve against a portion of an outstanding customer receivable balance, partially offset by improved cost performance and $11 from lower depreciation resulting from a change in the estimated useful lives of Crown's canmaking equipment.

Asia Pacific

Crown's Asia Pacific segment primarily consists of beverage can operations in Cambodia, China, Malaysia, Singapore, Thailand and Vietnam and also includes Crown's non-beverage can operations, primarily food cans and specialty packaging in China, Singapore, Thailand and Vietnam. In recent years, Crown's beverage can operations in Asia have experienced significant growth.

In 2013, Crown began production on second beverage can lines at its facilities in Putian, China and Bangi, Malaysia. In 2013, Crown also began production at new beverage can plants in Sihanoukville, Cambodia, Danang, Vietnam and Nong Khae, Thailand.

Net sales and segment income in the Asia Pacific segment are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$1,226	$1,189	$979
Segment income	142	133	137

Year ended December 31, 2014 compared to 2013

Net sales increased primarily due to $110 from increased sales unit volumes due to recent capacity expansion and market growth partially offset by $56 from lower selling prices primarily due to the pass-through of lower raw material costs and the impact of competitive price compression and $17 from the impact of foreign currency translation.

Segment income increased primarily due to $17 from increased sales unit volumes, partially offset by $7 from the impact of competitive price compression.

Year ended December 31, 2013 compared to 2012

Net sales increased primarily due to a 19% increase in beverage can sales unit volumes and $124 from the acquisition of Superior in the fourth quarter of 2012 as discussed in Note B to the audited consolidated financial statements included in this offering memorandum, partially offset by lower selling prices primarily due to the pass-through of lower raw material costs and the impact of competitive price compression.

Segment income decreased as the impact of higher beverage can sales unit volumes was offset by lower manufacturing efficiencies associated with recent capacity expansion and the impact of competitive price compression.

Non-reportable Segments

Crown's non-reportable segments include its European aerosol and specialty packaging business, its North American aerosol can business and its tooling and equipment operations in the United States and the United Kingdom. In recent years, Crown's aerosol and specialty packaging businesses have experienced slightly declining volumes. Crown completed the sale of four of its European industrial specialty packaging plants during March 2015.

Net sales and segment income in non-reportable segments are as follows:

	Year Ended December 31,		
	2014	2013	2012
Net sales	$822	$851	$895
Segment income	92	102	98

Year ended December 31, 2014 compared to 2013

Net sales decreased primarily due to $40 from lower sales in Crown's aerosol and specialty packaging businesses, partially offset by $10 from the impact of foreign currency translation.

Segment income decreased primarily due to $8 from lower sales in Crown's aerosol and specialty packaging businesses.

Year ended December 31, 2013 compared to 2012

Net sales decreased primarily due to lower sales in Crown's European specialty packaging and aerosol can businesses.

Segment income increased as the impact of lower sales in Crown's European specialty packaging and aerosol businesses was offset by the benefits of recent restructuring actions.

Corporate and Unallocated Expense

	Year Ended December 31,		
	2014	2013	2012
Corporate and unallocated expense	$(197)	$(165)	$(194)

Corporate and unallocated costs increased in 2014 compared to 2013 due to higher general corporate costs including technology and incentive compensation, higher hedge ineffectiveness and a charge of $19 related to the impact of fair value adjustments for the sale of inventory acquired in the acquisition of Mivisa.

Corporate and unallocated costs decreased in 2013 compared to 2012 primarily due to $22 from lower pension expense, $7 from lower technology costs and a net benefit of $1 from legal matters.

Additionally, in 2013, Crown recorded a benefit of $16 for a legal settlement related to the recovery of environmental remediation costs, partially offset by a charge of $15 for certain Italian valued added tax assessments.

Cost of Products Sold (Excluding Depreciation and Amortization)

Cost of products sold (excluding depreciation and amortization) increased from $7,180 in 2013 to $7,525 in 2014 primarily due to the acquisition of Mivisa and increased global beverage can volumes, partially offset by $49 of foreign currency translation.

Cost of products sold (excluding depreciation and amortization) increased from $7,013 in 2012 to $7,180 in 2013 primarily due to increased global beverage can volumes partially offset by the pass-through of lower raw material costs.

Cost of products sold (excluding depreciation and amortization) as a percentage of net sales was 83% in 2014, 2013 and 2012.

Depreciation and Amortization

For the year ended December 31, 2014 compared to 2013, depreciation and amortization increased from $134 to $190 primarily due to the depreciation and amortization of fixed assets and intangible assets recorded in connection with Crown's acquisition of Mivisa.

For the year ended December 31, 2013 compared to 2012, depreciation and amortization decreased from $180 to $134 primarily due to $49 from a change in the estimated useful lives of Crown's two-piece and three-piece canmaking equipment. Crown, with the assistance of a third party appraiser, completed an evaluation of the estimated useful lives of its two-piece and three-piece canmaking equipment. As a result, effective January 1, 2013, Crown adjusted the estimated useful lives of its canmaking equipment to reflect its current estimates of the useful lives.

Selling and Administrative Expense

Selling and administrative expense decreased from $425 in 2013 to $398 in 2014, primarily due to charges of $39 in 2013 to record reserves against two customer receivable balances that did not recur in 2014, partially offset by higher incentive compensation costs and the impact of the Mivisa acquisition.

Selling and administrative expense increased from $382 in 2012 to $425 in 2013 primarily due to charges of $39 related to reserves provided against outstanding receivable balances due from a European food can customer and a North American food can customer and $4 from the impact of foreign currency translation.

Provision for Asbestos

Crown Cork & Seal Company, Inc. is one of many defendants in a substantial number of lawsuits filed throughout the U.S. by persons alleging bodily injury as a result of exposure to asbestos. During 2014, 2013 and 2012 Crown recorded charges of $45, $32 and $35 to increase its accrual for asbestos-related costs and made asbestos-related payments of $30 in 2014 and $28 in 2013 and 2012. Crown currently expects 2015 payments to be approximately $30. See Note M to the audited consolidated financial statements included in this offering memorandum for additional information regarding the provision for asbestos-related costs. Also see "—Accounting Policies" below for a discussion of Crown's policies with respect to asbestos liabilities.

Interest Expense

Interest expense increased from $236 in 2013 to $253 in 2014 primarily reflecting higher average debt outstanding from the Mivisa acquisition.

Interest expense increased from $226 in 2012 to $236 in 2013 primarily due to higher average debt outstanding and $5 of expense related to the settlement of a value added tax assessment with the Italian tax authority.

Taxes on Income

Crown's effective income tax rates were as follows:

	Year Ended December 31,		
	2014	2013	2012
Income before income taxes	$516	$ 576	$642
Provision for / (benefit from) income taxes	41	148	(17)
Effective income tax rate	7.9%	25.7%	(2.6)%

The low effective tax rate in 2014 was primarily due to a benefit of $86 to fully release the valuation allowance against Crown's net deferred tax assets in France and a benefit of $16 related to a tax law change in Spain.

The tax benefit in 2012 was primarily due to a net benefit of $175 related to the recognition of previously unrecognized U.S. foreign tax credits and a benefit of $10 from the receipt of non-taxable insurance proceeds related to flooding in Thailand.

For additional information regarding income taxes, see Note W to Crown's audited consolidated financial statements included in this offering memorandum and "—Critical Accounting Policies" for a discussion of Crown's policies with respect to valuation allowances.

Net Income Attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests decreased from $104 in 2013 to $88 in 2014 primarily due to the acquisition of additional ownership interests in subsidiaries in Jordan and Tunisia and lower earnings in certain beverage can operations in the Middle East, partially offset by higher earnings in Crown's beverage can operations in Brazil.

Net income attributable to noncontrolling interests decreased from $105 in 2012 to $104 in 2013 as increased earnings in Crown's beverage can operations in Brazil and the Middle East in 2013 were offset by $11 of bargain purchase gain allocated to Crown's joint venture partner related to the acquisition of Superior in 2012.

Liquidity and Capital Resources

Operating Activities

Cash provided by operating activities increased from $885 in 2013 to $912 in 2014 primarily due to higher income and working capital improvements, partially offset by higher interest payments.

Receivables decreased from $1,064 in 2013 to $1,031 in 2014 primarily due to a change in Crown's North American and European securitization facilities which resulted in receivables transactions being accounted for as sales and the impact of foreign currency translation, partially offset by the impact of the Mivisa acquisition. Receivables provided cash of $45 in 2014 compared to used cash of $51 in 2013 primarily due to the change in securitization facilities.

In connection with the securitization facilities, Crown derecognizes receivables sold and recognizes any deferred purchase price in prepaid expenses and other current assets in Crown's Consolidated Balance Sheet. The deferred purchase price receivable is reduced as collections of the underlying receivables occur; however, as this is a revolving program, the sale of new receivables will result in an increase in the deferred purchase price receivable. For the year ended December 31, 2014, $76 of deferred purchase price receivable was reflected in the receivables line item on Crown's Consolidated Statement of Cash Flows included in this offering memorandum.

Days sales outstanding for trade receivables improved from 38 in 2013 to 36 in 2014.

Inventories increased from $1,213 in 2013 to $1,324 in 2014 primarily due to the acquisition of Mivisa, partially offset by the impact of foreign currency translation. Inventories used cash of $62 in 2014 compared to $45 in 2013.

Accounts payable and accrued liabilities increased from $2,547 in 2013 to $2,651 in 2014 primarily due to the acquisition of Mivisa and extended supplier payment terms, partially offset by the impact of foreign currency translation. Accounts payable and accrued liabilities provided cash of $219 in 2014 compared to $246 in 2013.

Investing Activities

Cash used for investing activities increased from $246 in 2013 to $1,021 in 2014 primarily due to $733 paid to acquire Mivisa and $53 of higher capital expenditures, partially offset by $22 of proceeds from divesting certain Crown and Mivisa operations as required for regulatory approval of the acquisition. Crown currently expects capital expenditures in 2015 of approximately $350. In February 2015, Crown completed its acquisition of Empaque for $1,200 subject to purchase price adjustment.

Cash used for investing activities decreased from $362 in 2012 to $246 in 2013 primarily due to lower capital expenditures and cash used for business acquisitions.

At December 31, 2014, Crown had $59 of capital commitments, primarily related to its operations in Europe. Crown expects to fund these commitments primarily through cash flows generated from operations.

Financing Activities

In 2014, financing activities were a source of cash of $445 compared to uses of cash of $306 and $254 in 2013 and 2012. Financing activities were higher in 2014 primarily to fund the acquisition of Mivisa and repay certain of Mivisa's existing debt.

In 2013 and 2012, cash used for financing activities was primarily to repurchase shares of Crown's common stock.

Other financing activities, in each year, is primarily cash settlements of foreign currency derivatives used to hedge intercompany debt obligations.

Liquidity

As of December 31, 2014, $825 of Crown's $965 in cash and cash equivalents was located outside the United States. Crown is not currently aware of any legal restrictions under foreign law that materially impact its access to cash held outside the United States.

Crown funds its cash needs in the United States through a combination of cash flows from operations in the United States, dividends from certain foreign subsidiaries, borrowings under its revolving credit facility and the acceleration of cash receipts under its receivable securitization and factoring facilities. Crown records current or deferred U.S. taxes for the earnings of these foreign subsidiaries. For certain other foreign subsidiaries, Crown considers earnings indefinitely reinvested and has not recorded any U.S. taxes. Of the cash and cash equivalents located outside the United States, $664 was held by subsidiaries for which earnings are considered indefinitely reinvested. While based on current operating plans Crown does not foresee a need to repatriate these funds, if such earnings were repatriated Crown may be required to record incremental U.S. taxes on the repatriated funds.

Crown funds its worldwide cash needs through a combination of cash flows from operations, borrowings under its revolving credit facilities and the acceleration of cash receipts under its receivables securitization and factoring facilities. As of December 31, 2014, Crown has available capacity of $25 under its North American securitization facility, $32 under its European securitization facility and $1,160 under its revolving credit facilities. Crown has current maturities of long-term debt of $177 due in 2015 and is not required to refinance or renegotiate any of its current sources of liquidity in 2015 other than its North American securitization facility.

Crown has substantial debt outstanding. The ratio of total debt, less cash and cash equivalents, to total capitalization was 91.7% and 91.6% at December 31, 2014 and 2013. Total capitalization is defined by Crown as total debt plus total equity, less cash and cash equivalents.

Crown's debt agreements contain covenants that limit the ability of Crown and its subsidiaries to, among other things, incur additional debt, pay dividends or repurchase capital stock, make certain other restricted payments, create liens and engage in sale and leaseback transactions. These restrictions are subject to a number of exceptions, however, which allow Crown to incur additional debt, create liens or make otherwise restricted payments. The amount of restricted payments permitted to be made, including dividends and repurchases of Crown's common stock, may be limited to the cumulative excess of $200 plus 50% of adjusted net income plus proceeds from the exercise of employee stock options over the aggregate of restricted payments made since July 2004. Adjustments to net income may include, but are not limited to, items such as asset impairments, gains and losses from asset sales and early extinguishments of debt.

Crown's revolving credit facility and term loans also contain various financial covenants. The interest coverage ratio is calculated as Adjusted EBITDA divided by interest expense. Adjusted EBITDA is calculated as the sum of net income attributable to Crown Holdings, net income attributable to noncontrolling interests, income taxes, interest expense, depreciation and amortization, and certain non-cash charges. Crown's interest coverage ratio of 4.74 to 1.0 at December 31, 2014 was in compliance with the covenant requiring a ratio of at least 2.85 to 1.0. The total net leverage ratio is calculated as total net debt divided by Adjusted EBITDA, as defined above. Total net debt is defined in the credit agreement as total debt less cash and cash equivalents. Crown's total net leverage ratio of 3.58 to 1.0 at December 31, 2014 was in compliance with the covenant requiring a ratio no greater than 4.75 to 1.0. The ratios are calculated at the end of each quarter using debt and cash balances as of the end of the quarter and Adjusted EBITDA and interest expense for the most recent twelve months. Failure to meet the financial covenants could result in the acceleration of any outstanding amounts due under the revolving credit facilities, term loan facilities and farm credit facility.

As of December 31, 2014, without giving effect to the Empaque acquisition or this offering, Crown's sources of liquidity and borrowings expire or mature as follows: its $200 North American securitization facility in December 2015; its €130 ($157 at December 31, 2014) European securitization facility in December 2019; its $1,200 revolving credit facilities in December 2018; its $700 6.25% senior notes in February 2021; its €650 ($786 at December 31, 2014) 4.0% senior notes in July 2022; its $1,000 4.50% senior notes in January 2023; its $350 7.375% senior notes in December 2026; its $64 7.5% senior notes in December 2096; and $356 of other indebtedness in various currencies at various dates through 2020. In addition, Crown's term loan and farm credit facilities mature as follows: $86 in December 2015, $168 in December 2016, $251 in December 2017, $1,156 in December 2018 and $344 in December 2019. See "Description of Certain Indebtedness."

Contractual Obligations

Contractual obligations as of December 31, 2014 are summarized in the table below.

	Payments Due by Period						
	2015	2016	2017	2018	2019	2020 & after	Total
Long-term debt	$ 177	$ 231	$ 295	$1,188	$363	$ 2,932	$ 5,186
Interest on long-term debt	203	197	192	185	162	153	1,092
Operating leases	50	38	27	13	7	47	182
Projected pension contributions	76	108	78	82	89	—	433
Postretirement obligations	19	18	18	17	17	78	167
Purchase obligations	3,120	1,154	821	349	—	—	5,444
Total contractual cash obligations	$3,645	$1,746	$1,431	$1,834	$638	$ 3,210	$12,504

All amounts due in foreign currencies are translated at exchange rates as of December 31, 2014.

Crown expects to fund its obligations through a combination of cash flows from operations, borrowings under its revolving credit facilities and the acceleration of cash receipts under its receivables securitization and factoring programs.

Interest on long-term debt is presented through 2020 only and represents the interest that will accrue by year based on debt outstanding and interest rates in effect as of December 31, 2014.

Projected pension contributions represent Crown's expected funding contributions for the next five years. Postretirement obligations represent expected payments to retirees for medical and life insurance coverage for the next ten years. These projections require the use of numerous estimates and assumptions such as discount rates, rates of return on plan assets, compensation increases, health care cost increases, mortality and employee turnover and have therefore been provided for only five years for pension and ten years for postretirement.

Purchase obligations include commitments for raw materials and utilities at December 31, 2014. These commitments specify significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable pricing provisions; and the approximate timing of transactions.

The table above excludes $26 of liabilities for unrecognized tax benefits because Crown is unable to estimate when these amounts may be paid, if at all. See Note W to Crown's audited consolidated financial statements included in this offering memorandum for additional information on Crown's unrecognized tax benefits.

In addition, the table above excludes the incremental debt incurred in 2015 related to Crown's acquisition of Empaque as discussed in Note B to Crown's audited consolidated financial statements included in this offering memorandum.

In order to reduce leverage and future interest payments, Crown may from time to time repurchase outstanding notes and debentures with cash, exchange shares of its common stock for Crown's outstanding notes and debentures, or seek to refinance its existing credit facilities and other indebtedness. Crown will evaluate any such transactions in light of then existing market conditions and may determine not to pursue such transactions.

Market Risk

In the normal course of business Crown is subject to risk from adverse fluctuations in foreign exchange rates, interest rates and commodity prices. Crown manages these risks through a program that includes the use of derivative financial instruments, primarily swaps and forwards. Counterparties to these contracts are major financial institutions. These instruments are viewed as risk management tools, involve little complexity, and are not used for trading or speculative purposes. The extent to which Crown uses such instruments is dependent upon its access to them in the financial markets and its use of other methods, such as netting exposures for foreign exchange risk and establishing sales arrangements that permit the pass-through to customers of changes in commodity prices and foreign exchange rates, to effectively achieve its goal of risk reduction. Crown's objective in managing its exposure to market risk is to limit the impact on earnings and cash flow.

Crown manages foreign currency exposures at the operating unit level. Exposures that cannot be naturally offset within an operating unit may be hedged with derivative financial instruments where possible and cost effective in Crown's judgment. Foreign exchange contracts generally mature within twelve months.

The table below provides information in U.S. dollars as of December 31, 2014 about Crown's forward currency exchange contracts. The contracts primarily hedge anticipated transactions, unrecognized firm commitments and intercompany debt. The contracts with no amounts in the fair value column have a fair value of less than $1.

Buy/Sell	Contract Amount	Contract fair value gain/(loss)	Average contractual exchange rate
U.S. dollars/Euro	$ 92	$ 1	1.43
Sterling/Euro	53	(1)	0.79
Euro/Sterling	263	(5)	0.80
Euro/U.S. dollars	258	(7)	1.25
U.S. dollars/Sterling	59	2	1.63
Singapore dollars/U.S. dollars	62	(1)	1.31
Polish Zloty/Euro	106	(1)	4.26
Turkish Lira/U.S. dollars	40	(2)	2.30
Euro/Singapore dollars	90	(1)	1.63
Euro/Polish Zloty	84	—	4.29
	$ 1,107	$ (15)	

At December 31, 2014, Crown had additional contracts with an aggregate notional value of approximately $300 to purchase or sell other currencies, primarily Asian currencies, including the Malaysian Ringgit, the Thai Baht, and the Chinese Renminbi; European currencies, including the Hungarian Florint; and African currencies, including the Moroccan Dirham and the Tunisian Dinar; and the Canadian Dollar. The aggregate fair value of these contracts was a loss of less than $1.

Crown, from time to time, may manage its interest rate risk associated with fluctuations in variable interest rates through interest rate swaps. The use of interest rate swaps and other methods of mitigating interest rate risk may increase overall interest expense.

The table below presents principal cash flows and related interest rates by year of maturity for Crown's debt obligations as of December 31, 2014. Variable interest rates disclosed represent the weighted average rates at December 31, 2014.

	Year of Maturity					
Debt	2015	2016	2017	2018	2019	Thereafter
Fixed rate	$ 80	$ 42	$ 32	$ 30	$ 18	$ 2,934
Average interest rate	4.2%	5.2%	5.6%	5.7%	5.9%	5.2%
Variable rate	$ 172	$ 189	$ 262	$1,158	$ 344	
Average interest rate	2.6%	2.0%	1.9%	1.8%	2.2%	

Total future payments at December 31, 2014 include $3,570 of U.S. dollar-denominated debt, $1,653 of euro-denominated debt and $38 of debt denominated in other currencies.

Crown uses various raw materials, such as steel and aluminum in its manufacturing operations, which expose it to risk from adverse fluctuations in commodity prices. In 2014, consumption of steel and aluminum represented 27% and 37%, respectively, of Crown's consolidated cost of products sold, excluding depreciation and amortization. Crown primarily manages its risk to adverse commodity price fluctuations and surcharges through contracts that pass through raw material costs to customers.

Crown may, however, be unable to increase its prices to offset increases in raw material costs without suffering reductions in unit volume, revenue and operating income, and any price increases may take effect after related cost increases, reducing operating income in the near term.

In addition, Crown's manufacturing facilities are dependent, in varying degrees, upon the availability of water and processed energy, such as natural gas and electricity.

Aluminum, a basic raw material of Crown, is subject to the risk of significant price fluctuations which may be hedged by Crown through forward commodity contracts. Current contracts involve aluminum forwards with a notional value of $213 and a fair value loss of $8. The maturities of the commodity contracts closely correlate to the anticipated purchases of those commodities. These contracts are used in combination with commercial supply contracts with customers to manage exposure to price volatility.

See Note S to Crown's audited consolidated financial statements included in this offering memorandum for further information on Crown's derivative financial instruments.

Off-Balance Sheet Arrangements

Crown has certain guarantees and indemnification agreements that could require the payment of cash upon the occurrence of certain events. The guarantees and agreements are further discussed under Note N to the audited consolidated financial statements included in this offering memorandum. Crown also utilizes receivables securitization and factoring facilities and derivative financial instruments as further discussed under Note E and Note S, respectively, to the audited consolidated financial statements included in this offering memorandum.

Environmental Matters

Compliance with Crown's Environmental Protection Policy is mandatory and the responsibility of each employee of Crown. Crown is committed to the protection of human health and the environment and is operating within the increasingly complex laws and regulations of national, state, and local environmental agencies or is taking action to achieve compliance with such laws and regulations. Environmental considerations are among the criteria by which Crown evaluates projects, products, processes and purchases.

Crown is dedicated to a long-term environmental protection program and has initiated and implemented many pollution prevention programs with an emphasis on source reduction. Crown continues to reduce the amount of metal used in the manufacture of steel and aluminum containers through "lightweighting" programs. Crown recycles nearly 100% of scrap aluminum, steel and copper used in its manufacturing processes. Many of Crown's programs for pollution prevention reduce operating costs and improve operating efficiencies.

The potential impact on Crown's operations of climate change and potential future climate change regulation in the jurisdictions in which Crown operates is highly uncertain. See the risk factor entitled "Crown is subject to costs and liabilities related to stringent environmental and health and safety standards" in this offering memorandum.

See Note N to the audited consolidated financial statements included in this offering memorandum for additional information on environmental matters including Crown's accrual for environmental remediation costs.

Inflation

Inflation has not had a significant impact on Crown over the past three years and Crown does not expect it to have a significant impact on the results of operations or financial condition in the foreseeable future.

Critical Accounting Policies

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America which require that management make numerous estimates and assumptions. Actual results could differ from those estimates and assumptions, impacting the reported results of operations and financial position of Crown. Crown's significant accounting policies are more fully described under Note A to Crown's audited consolidated financial statements included in this offering memorandum. Certain accounting policies, however, are considered to be critical in that (i) they are most important to the depiction of Crown's financial condition and results of operations and (ii) their application requires management's most subjective judgment in making estimates about the effect of matters that are inherently uncertain.

Asbestos Liabilities

Crown's potential liability for asbestos cases is highly uncertain due to the difficulty of forecasting many factors, including the level of future claims, the rate of receipt of claims, the jurisdiction in which claims are filed, the nature of future claims (including the seriousness of alleged disease, whether claimants allege first exposure to asbestos before or during 1964 and the alleged link to Crown Cork), the terms of settlements of other defendants with asbestos-related liabilities, bankruptcy filings of other defendants (which may result in additional claims and higher settlement demands for non-bankrupt defendants), potential liabilities for claims filed after Crown's ten-year projection period and the effect of state asbestos legislation (including the validity and applicability of the Pennsylvania legislation to non-Pennsylvania jurisdictions, where the substantial majority of Crown's asbestos cases are filed). See Note M to Crown's audited consolidated financial statements included in this offering memorandum for additional information regarding the provision for asbestos-related costs.

At the end of each quarter, Crown considers whether there have been any material developments that would cause it to update its asbestos accrual calculations. Absent any significant developments in the asbestos litigation environment in general or with respect to Crown specifically, Crown updates its accrual calculations in the fourth quarter of each year. Crown's asbestos accrual is an estimate of the amounts expected to be paid over the next ten years including outstanding claims, projected future claims and legal costs. Outstanding claims used in the accrual calculation are adjusted for factors such as claims filed in those states where Crown's liability is limited by statute, claims alleging first exposure to asbestos after 1964 which are assumed to have no value and claims which are projected will never be paid which are assumed to have a reduced or nominal value based on the length of time outstanding. Projected future claims are calculated based on actual data for the most recent five years and are adjusted to account for the expectation that a percentage of these claims will never be paid. Outstanding and projected claims are multiplied by the average settlement cost of those claims for the most recent five years.

Because Crown's asbestos liability is an estimate of the amounts expected to be paid over the next ten years, Crown expects to record a charge each year to account for projected claims in the new tenth year. As claims are not submitted or settled evenly throughout the year, it is difficult to predict at any time during the year whether the number of claims or average settlement cost over the five year period ending December 31 of such year will increase compared to the prior five year period.

In 2014, Crown recorded a charge of $45 to increase its asbestos liability compared to charges of $32 in 2013 and $35 in 2012. As described above, each year's charge includes the impact of an additional year of settlement and legal costs in Crown's projection period. The charge increased in

2014 primarily due to Crown Cork's recent settlement experience which has been to settle a higher percentage of claims alleging serious disease (primarily mesothelioma) at higher dollar amounts. In addition, because a higher percentage of claims filed in recent years allege serious disease, a higher percentage of claims projected into the future also relate to serious diseases and are therefore valued at higher dollar amounts. For example, of the projected claims related to claimants alleging first exposure to asbestos before or during 1964 and filed in states that have not enacted asbestos legislation, 57%, 56% and 54% in 2014, 2013 and 2012, respectively, relate to claims alleging serious diseases such as mesothelioma.

In 2014, 2013 and 2012, the five year average settlement cost per claim was $12,800, $12,100 and $10,600. If the recent trend of settling a higher percentage of claims alleging serious disease (primarily mesothelioma) which are settled for higher amounts continues, average settlement costs per claim are likely to increase and, if not offset by a reduction in overall claims and settlements, Crown will record additional charges in the future. A 10% change in either the average cost per claim or the number of projected claims would increase or decrease the estimated liability at December 31, 2014 by $28 for the following ten-year period. A 10% increase in these two factors at the same time would increase the estimated liability at December 31, 2014 by $58 for the following ten-year period. A 10% decrease in these two factors at the same time would decrease the estimated liability at December 31, 2014 by $52 for the following ten-year period.

Goodwill Impairment

Crown performs a goodwill impairment review in the fourth quarter of each year or when facts and circumstances indicate goodwill may be impaired. In accordance with the accounting guidance, Crown may first perform a qualitative assessment on none, some, or all of its reporting units to determine whether further quantitative impairment testing is necessary. Factors that Crown may consider in its qualitative assessment include, but are not limited to, general economic conditions, changes in the markets in which Crown operates, changes in input costs that may affect earnings and cash flows, trends over multiple periods and the difference between the reporting unit's fair value and carrying amount as determined in the most recent fair value calculation.

The quantitative impairment test involves a number of assumptions and judgments, including the calculation of fair value for Crown's identified reporting units. Crown determines the estimated fair value for each reporting unit based on the average of the estimated fair values calculated using market values for comparable businesses and discounted cash flow projections. Crown uses an average of the two methods in estimating fair value because it believes they provide an equal probability of yielding an appropriate fair value for the reporting unit. Crown's estimates of future cash flows include assumptions concerning future operating performance and economic conditions and may differ from actual future cash flows. Under the first method of calculating estimated fair value, Crown obtains available information regarding multiples used in recent transactions, if any, involving transfers of controlling interests in the packaging industry. Crown also reviews publicly available trading multiples based on the enterprise value of companies in the packaging industry whose shares are publicly traded. The appropriate multiple is applied to the forecasted Adjusted EBITDA (a non-GAAP item defined by Crown as net customer sales, less cost of products sold excluding depreciation and amortization, less selling and administrative expenses) of the reporting unit to obtain an estimated fair value. Under the second method, fair value is calculated as the sum of the projected discounted cash flows of the reporting unit over the next five years and the terminal value at the end of those five years. The projected cash flows generally include a no growth assumption unless there has recently been a material change in the business or a material change is forecasted. The discount rate used is based on the average weighted-average cost of capital of companies in the packaging industry, which information is available through various sources.

The terminal value at the end of five years is the product of forecasted Adjusted EBITDA at the end of the five year period and the trading multiple. Crown used an EBITDA multiple of 8.0 times in its 2014 review which increased from 7.5 times in 2013 due to recent transactions in the industry. Crown used a discount rate of 6.8% in its 2014 review which is consistent with the discount rate used in the 2013 review and is supported by the weighted average cost of capital of companies in the packaging industry.

Crown completed its annual review for 2014 and determined that no adjustments to the carrying value of goodwill were necessary. Although no goodwill impairment was recorded, there can be no assurances that future goodwill impairments will not occur. Based upon Crown's qualitative and quantitative assessment including consideration of the sensitivity of the assumptions made and methods used to determine fair value, industry trends and other relevant factors, Crown did not have any reporting unit at the end of 2014 whose fair value did not materially exceed its carrying value.

As of December 31, 2014, the estimated fair value of the European Aerosols and Specialty Packaging reporting unit, using the methods and assumptions described above, was 47% higher than its carrying value, and the reporting unit had $127 of goodwill. The maximum potential effect of weighting the two valuation methods other than equally would have been to increase or decrease the estimated fair value by $2. Assuming all other factors remain the same, a $1 change in forecasted annual Adjusted EBITDA changes the excess of estimated fair value over carrying value by $8; a change of 0.5 in the assumed EBITDA multiple changes the excess of estimated fair value over carrying value by $12; and an increase in the discount rate from 6.8% to 7.8% changes the excess of estimated fair value over carrying value by $4. Under each of these scenarios, the reporting unit's fair value exceeded its carrying value. If future operating results were to decline causing the estimated fair value to fall below its carrying value, it is possible that an impairment charge of up to $127 could be recorded.

In addition, the estimated fair value of Crown's European Food reporting unit was 40% higher than its carrying value. The reporting unit includes Mivisa which was acquired in April 2014. At the date of acquisition, the fair value of Mivisa equaled its carrying value. In connection with the acquisition, Crown recorded $931 of goodwill.

Long-lived Assets Impairment

Crown performs an impairment review of its long-lived assets, including definite-lived intangible assets and property, plant and equipment, when facts and circumstances indicate the carrying value may not be recoverable from its undiscounted cash flows. Any impairment loss is measured by comparing the carrying amount of the asset to its fair value. Crown's estimates of future cash flows involve assumptions concerning future operating performance, economic conditions and technological changes that may affect the future useful lives of the assets. These estimates may differ from actual cash flows or useful lives.

Tax Valuation Allowance

Crown records a valuation allowance to reduce its deferred tax assets when it is more likely than not that a portion of the tax assets will not be realized. The estimate of the amount that will not be realized requires the use of assumptions concerning Crown's future taxable income. These estimates are projected through the life of the related deferred tax assets based on assumptions that management believes are reasonable. Crown considers all sources of taxable income in estimating its valuation allowances, including taxable income in any available carry back period; the reversal of taxable temporary differences; tax-planning strategies; and taxable income expected to be generated in the future other than from reversing temporary differences.

Should Crown change its estimate of the amount of deferred tax assets that it would be able to realize, an adjustment to the valuation allowance would result in an increase or decrease in tax expense in the period such a change in estimate was made. See Note W to Crown's audited consolidated financial statements included in this offering memorandum for additional information on Crown's valuation allowances.

Pension and Postretirement Benefits

Accounting for pensions and postretirement benefit plans requires the use of estimates and assumptions regarding numerous factors, including discount rates, rates of return on plan assets, compensation increases, health care cost increases, future rates of inflation, mortality and employee turnover. Actual results may differ from Crown's actuarial assumptions, which may have an impact on the amount of reported expense or liability for pensions or postretirement benefits. Crown recorded pension expense of $56 in 2014 and currently projects its 2015 pension expense to be $42 using foreign currency exchange rates in effect at December 31, 2014.

The rate of return assumptions are reviewed at each measurement date based on the pension plans' investment policies, current asset allocations and an analysis of the historical returns of the capital markets.

The U.S. plan's assumed rate of return was 8.0% in 2014 and is 8.0% in 2015. The U.K. plan's assumed rate of return was 6.25% in 2014 and is 5.0% in 2015. The assumed rate of return for 2015 was calculated on a similar basis to 2014 as described in Note V to Crown's audited consolidated financial statements included in this offering memorandum. A 0.25% change in the expected rates of return would change 2015 pension expense by approximately $12 million.

Discount rates were selected using a method that matches projected payouts from the plans with zero-coupon AA bond yield curves in the respective currencies. The yield curves were constructed from the underlying bond price and yield data collected as of the plans' measurement date and are represented by a series of annualized, individual discount rates with durations ranging from six months to thirty years. Each discount rate in the curve was derived from an equal weighting of the AA bond universe, apportioned into distinct maturity groups. These individual discount rates were then converted into a single equivalent discount rate. To assure that the resulting rates can be achieved by the plan, only bonds with sufficient capacity that satisfy certain criteria and are expected to remain available through the period of maturity of the plan benefits were used to develop the discount rate. A 0.25% change in the discount rates from those used at December 31, 2014 would change 2015 pension expense by approximately $3 and postretirement expense by approximately $1. A 0.25% change in the discount rates from those used at December 31, 2014 would have changed the pension benefit obligation by approximately $177 and the postretirement benefit obligation by $4 as of December 31, 2014. See Note V to Crown's audited consolidated financial statements included in this offering memorandum for additional information on pension and postretirement benefit obligations and assumptions.

As of December 31, 2014, Crown had pre-tax unrecognized net losses in other comprehensive income of $2,423 related to its pension plans and a net loss of $69 related to its other postretirement benefit plans. Unrecognized gains and losses arise each year primarily due to changes in discount rates, differences in actual plan asset returns compared to expected returns, and changes in actuarial assumptions such as mortality. For example, the unrecognized net loss in Crown's pension plans included a current year gain of $379 due to actual asset returns higher than expected returns and a loss of $553 primarily due to lower discount rates at the end of 2014 compared to 2013. Unrecognized gains and losses are accumulated in other comprehensive income and the portion in each plan that exceeds 10% of the greater of that plan's assets or projected benefit obligation is amortized to income over future periods. Crown's pension expense for the year ended December 31, 2014 included charges of $114 for the amortization of unrecognized net losses, and Crown estimates charges of $103 in 2015. The unrecognized net losses in the pension plans as of December 31, 2014 include $1,293 in the U.K. defined benefit plan, $964 in the U.S defined benefit plans and $144 in the Canadian defined benefit plans. Amortizable losses in the U.K. plan are being recognized over 21 years, representing the average expected life of inactive employees as over 90% of the plan participants are inactive and the fund is closed to new participants. Amortizable losses in the U.S. and Canadian plans are being recognized over either the average expected life of inactive employees or the remaining service life of active participants depending on the status of the individual plans. The weighted average amortization period for the U.S. plans is 16 years. The weighted average amortization period for the Canadian plans is 14 years. An increase of 10% in the number of years used to amortize unrecognized losses in each plan would decrease estimated charges for 2015 by $9. A decrease of 10% in the number of years would increase the estimated 2015 charge by $12.

Unrecognized net losses of $69 in Crown's other postretirement benefit plans as of December 31, 2014, primarily include $68 in the U.S. plans, with the amortizable portion being recognized over the average remaining service life of active participants of 10 years. Crown's other postretirement benefits expense for the year ended December 31, 2014 included a loss of $6 for the amortization of unrecognized net losses, and Crown estimates losses of $5 in 2015. An increase of 10% in the number of years used to amortize the unrecognized losses in each plan would decrease the estimated charge for 2015 by $1. A decrease of 10% in the number of years would increase the estimated charge for 2015 by $1.

Recent Accounting Guidance

In April 2014, the FASB issued changes to the definition of a discontinued operation to include only disposals that represent a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The guidance, which will be effective for Crown on January 1, 2015, applies prospectively to new disposals and new classifications of disposal groups as held for sale after the effective date.

In May 2014, the FASB issued new guidance related to how an entity should recognize revenue. The guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. In addition, the guidance expands the required disclosures related to revenue and cash flows from contracts with customers. The guidance is effective for Crown beginning in the first quarter of 2017. Early adoption is not permitted and retrospective application is permitted, but not required. Crown is currently evaluating the impact of adopting this guidance on its financial position and results of operations.

See Note A to Crown's audited consolidated financial statements included in this offering memorandum for information on recently adopted accounting guidance.

CROWN'S BUSINESS

General

Crown is a worldwide leader in the design, manufacture and sale of packaging products for consumer goods. Crown's primary products include steel and aluminum cans for food, beverage, household and other consumer products and metal vacuum closures and caps. These products are manufactured in Crown's plants both within and outside the United States and are sold through Crown's sales organization to the soft drink, food, citrus, brewing, household products, personal care and various other industries. At December 31, 2014, Crown operated 149 plants along with sales and service facilities throughout 40 countries and had approximately 23,000 employees. Consolidated net sales for Crown in 2014 were $9,100 million with 76% derived from operations outside the United States, without giving effect to the Empaque acquisition.

Business Strengths

Crown's principal strength lies in its ability to meet the changing needs of its global customer base with products and processes from a broad range of well-established packaging businesses. Crown believes that it is well-positioned within the packaging industry because of its:

- *Global leadership positions.* Crown is a leading producer of food, beverage and aerosol cans and of closures in North America, Europe and Asia. Crown maintains its leadership through an extensive geographic presence, with 149 plants located throughout the world as of December 31, 2014. Crowns large manufacturing base allows it to service its customers locally while achieving significant economies of scale.
- *Strong customer base.* Crown provides packaging to many of the world's leading consumer products companies. Major customers include Anheuser-Busch InBev, Coca-Cola, Cott Beverages, Heineken, Mars, Nestlé, Pepsi-Cola, Procter & Gamble, SC Johnson and Unilever, among others. These consumer products companies represent generally stable businesses that provide consumer staples such as soft drinks, alcoholic beverages, foods and household products. In addition, Crown has long-standing relationships with many of its largest customers.
- *Broad and diversified product base.* Crown produces a wide array of products differentiated by type, purpose, size, shape and benefit to customers. Crown is not dependent on any specific product market since no product in any one geographical region represents a substantial share of total revenues.
- *Business and industry fundamentals.* Fundamental changes in its business, including price increases, cost reduction initiatives and working capital reductions, have improved Crown's business outlook.
- *Technological leadership resulting in superior new product and process development.* Crown believes that it possesses the technology, processes and research, development and engineering capabilities to allow it to provide innovative and value-added packaging solutions to its customers, as well as to design cost-efficient manufacturing systems and materials.
- *Financially disciplined management team.* Crown's current executive leadership is focused on improving profit and increasing free cash flow.
    - All levels of Crown's management are committed to minimizing capital employed in their respective businesses.
    - Crown is prudent about its capital spending, attempting to pursue projects that provide an adequate return. In place of high capital spending, Crown attempts to maximize the usefulness of all assets currently employed.

Business Strategy

Crown has several key business strategies:

- *Grow in targeted markets.* Crown plans to capitalize on its leading food, beverage and aerosol can positions by targeting geographic areas with strong growth potential. Crown believes that it is well-positioned to take advantage of the growth potential in Southern and Eastern Europe with numerous food and beverage can plants already established in those markets. In addition, as a leading packaging supplier to the Middle Eastern, Southeast Asian and Latin American markets, Crown will work to benefit from the anticipated growth in the consumption of consumer goods in these regions. Crown may consider acquisitions to grow its business (within developed or developing markets).
- *Increase margins through ongoing cost reductions*. Crown plans to continue to reduce manufacturing costs, enhance efficiencies and drive return on invested capital through investments in equipment and technology and through improvements in productivity and material usage and by maintaining a disciplined approach to managing supplier contacts.
- *Maximize cash flow generation.* Crown has established performance-based incentives to increase its free cash flow and operating income. In recent years Crown has used free cash flow to complete acquisitions, invest in emerging markets and repurchase Crown common stock and Crown may in the future use free cash flow to complete acquisitions, invest in emerging or developed markets, repurchase stock or to fund regular dividend payments on Crown common stock.
  - Crown uses the economic profit concept in connection with its executive compensation program, which requires each business unit to exceed prior year's returns on the capital that it employs.
  - Crown will continue to attempt to focus its capital expenditures on projects that provide an adequate return.
- *Serve the changing needs of the world's leading consumer products companies through technological innovation.* Crown intends to capitalize on the demand of its customers for higher value-added packaging products. By continuing to improve the physical attributes of its products, such as strength of materials and graphics, Crown plans to further improve its existing customer relationships, as well as attract new customers.

Divisions and Operating Segments

Crown's business is organized geographically within three divisions, Americas, European and Asia Pacific. Within each Division, Crown is generally organized along product lines. Crown's reportable segments within the Americas Division are Americas Beverage and North America Food. Crown's reportable segments within the European Division are European Beverage and European Food. Crown's Asia Pacific Division is a reportable segment which primarily consists of beverage can operations and also includes non-beverage can operations, primarily food cans and specialty packaging. Crown's non-reportable segments include its European Specialty Packaging business, its aerosol can businesses in North America and Europe and its tooling and equipment operations in the United States and United Kingdom.

Financial information concerning Crown's operating segments, and within selected geographic areas, is set forth within "Management's Discussion and Analysis of Financial Condition and Results of Operations" and under Note X to Crown's audited consolidated financial statements included in this offering memorandum.

Americas Division

The Americas Division includes operations in the United States, Brazil, Canada, the Caribbean, Colombia and Mexico. These operations manufacture beverage, food and aerosol cans and ends, specialty packaging and metal vacuum closures and caps. At December 31, 2014, the division operated 45 plants in eight (8) countries and had approximately 5,600 employees. In 2014, the Americas Division had net sales of $3,400 million, without giving effect to the Empaque acquisition.

Within the Americas Division, Crown has determined that there are two reportable segments: Americas Beverage and North America Food.

Americas Beverage. The Americas Beverage segment manufactures aluminum beverage cans and ends and steel crowns, commonly referred to as “bottle caps,” in the United States, Brazil, Canada, Columbia and Mexico. Americas Beverage had net sales in 2014 of $2,300 million and segment income (as defined under Note X to Crown’s audited consolidated financial statements included in this offering memorandum) of $334 million.

North America Food. The North America Food segment manufactures steel and aluminum food cans and ends and metal vacuum closures in the United States and Canada. North America Food had net sales in 2014 of $809 million and segment income (as defined under Note X to Crown’s audited consolidated financial statements included in this offering memorandum) of $127 million.

European Division

The European Division includes operations in Eastern and Western Europe, the Middle East and Africa. These operations manufacture beverage, food and aerosol cans and ends, specialty packaging and metal vacuum closures and caps. At December 31, 2014, the division operated 74 plants in 26 countries and had approximately 12,400 employees. Net sales in 2014 were $4,400 million.

Within the European Division, Crown has determined that European Beverage and European Food are reportable segments.

European Beverage. The European Beverage segment manufactures steel and aluminum beverage cans and ends in Europe, the Middle East and Africa. European Beverage had net sales in 2014 of $1,700 million and segment income (as defined under Note X to Crown’s audited consolidated financial statements included in this offering memorandum) of $265 million.

European Food. The European Food segment manufactures steel and aluminum food cans and ends, and metal vacuum closures, in Europe and Africa. European Food had net sales in 2014 of $2,200 million and segment income (as defined under Note X to Crown’s audited consolidated financial statements included in this offering memorandum) of $221 million.

Asia-Pacific Division

The Asia-Pacific Division is a reportable segment which primarily consists of beverage can operations in Cambodia, China, Malaysia, Singapore, Thailand and Vietnam and also includes Crown’s non-beverage can operations, primarily food cans and specialty packaging in China, Singapore, Thailand and Vietnam. At December 31, 2014, the division operated 30 plants in six (6) countries and had approximately 4,400 employees. Net sales in 2014 were $1,200 million.

Products

Beverage Cans

Crown supplies beverage cans and ends and other packaging products to a variety of beverage and beer companies, including Anheuser-Busch InBev, Carlsberg, Coca-Cola, Cott Beverages, Dr Pepper Snapple Group, Heineken, Molson Coors, National Beverage and Pepsi-Cola, among others. Crown’s beverage can business is built around local, regional and global markets, which has served to develop Crown’s understanding of global consumer expectations.

The beverage market is dynamic and highly competitive, with each packaging manufacturer working together with its customers to satisfy consumers' ever-changing needs. Crown competes by offering its customers broad market knowledge, resources at all levels of its worldwide organization and extensive research and development capabilities that have enabled Crown to provide its customers with innovative products. Crown meets its customers' beverage packaging needs with an array of two-piece beverage cans and ends and metal bottle caps. Innovations include the SuperEnd® and 360 End™ beverage can ends, shaped beverage cans which include size differentiation, such as slim line cans for low calorie products or larger sizes for high volume consumption. Crown expects to continue to add capacity in many of the growth markets around the world.

Beverage can manufacturing is capital intensive, requiring significant investment in tools and machinery. Crown seeks to effectively manage its invested capital and is continuing its efforts to reduce can and end diameter, lighten the metal content of its cans, reduce non-metal costs and water and energy usage while improving production processes.

Food Cans and Closures

Crown manufactures a variety of food cans and ends, including two-piece and three-piece cans in numerous shapes and sizes, and sells food cans to food marketers such as Bonduelle, Cecab, Faribault Foods, Mars, Morgan Foods, Nestlé, Princes Group and Simmons Foods, among others. Crown offers a wide variety of metal vacuum closures and sealing equipment solutions to leading marketers such as Abbot Laboratories, Danone, H. J. Heinz, Kraft, Nestlé, and Unilever, among others, from a network of metal vacuum closure plants around the world. Crown supplies total packaging solutions, including metal and composite closures, capping systems and services while working closely with customers, retailers and glass and plastic container manufacturers to develop innovative closure solutions and meet customer requirements.

Technologies used to produce food cans include three-piece welded, two-piece drawn and wall-ironed and two-piece drawn and redrawn. Crown also offers its LIFTOFF™ series of food ends, including its Easylift™ full aperture steel food can ends, and PeelSeam™, a flexible aluminum foil laminated end. Crown offers expertise in closure design and decoration, ranging from quality printing of the closure in up to nine colors, to inside-the-cap printing, which offers customers new promotional possibilities, to better product protection through Ideal Closures™, Orbit™ and Superplus™. Crown's commitment to innovation has led to developments in packaging materials, surface finishes, can shaping, lithography, filling, retorting, sealing and opening techniques and environmental performance. Crown manufactures easy open, vacuum and conventional ends for a variety of heat-processed and dry food products including fruits and vegetables, meat and seafood, soups, ready-made meals, infant formula, coffee and pet food.

Aerosol Cans

Crown's customers for aerosol cans and ends include manufacturers of personal care, food, household and industrial products, including Colgate Palmolive, Friesland Campina, Procter & Gamble, SC Johnson and Unilever, among others. The aerosol can business is highly competitive. Crown competes by offering its customers a broad range of products including multiple sizes, multiple color schemes and shaped packaging.

Specialty Packaging

Crown's specialty packaging business is primarily located in Europe and Asia. Crown produces a wide variety of specialty containers with numerous lid and closure variations. Crown's specialty packaging customers include Abbott Laboratories, Akzo Nobel, Britvic, Mars, Nestlé, PPG, Tikkurlia Oy and United Biscuits, among others.

Sales and Distribution

Global marketers qualify suppliers on the basis of their ability to provide global service, innovative designs and technologies in a cost-effective manner.

With its global reach, Crown markets and sells products to customers through its own sales and marketing staffs. In some instances, contracts with customers are centrally negotiated, but products are ordered through and distributed directly by Crown's local facilities. Crown's facilities are generally located in proximity to their respective major customers. Crown works closely with customers in order to develop new business and to extend the terms of its existing contracts.

Many customers provide Crown with quarterly or annual estimates of product requirements along with related quantities pursuant to which periodic commitments are given. Such estimates assist Crown in managing production and controlling use of working capital. Crown schedules its production to meet customer requirements. Because the production time for Crown's products is short, any backlog of customer orders in relation to overall sales is not significant.

Seasonality

The food packaging business is somewhat seasonal with the first quarter tending to be the slowest period as the autumn packing period in the Northern Hemisphere has ended and new crops are not yet planted. The industry generally enters its busiest period in the third quarter when the majority of fruits and vegetables are harvested. Due to this seasonality, inventory levels increase in the first half of the year to meet peak demand in the second and third quarters. Weather represents a substantial uncertainty in the yield of food products and is a major factor in determining the demand for food cans in any given year. Generally, beverage products are consumed in greater amounts during the warmer months of the year in the Northern Hemisphere and sales and earnings have generally been higher in the second and third quarters of the calendar year.

Crown's other businesses primarily include aerosol and specialty packaging and canmaking equipment, which tend not to be as significantly affected by seasonal variations.

Competition

Most of Crown's products are sold in highly competitive markets, primarily based on price, quality, service and performance. Crown competes with other packaging manufacturers as well as with fillers, food processors and packers, some of whom manufacture containers for their own use and for sale to others. Crown's competitors include, but are not limited to, Ardagh Group, Ball Corporation, BWAY Corporation, Can-Pack S.A., Metal Container Corporation, Rexam PLC and Silgan Holdings Inc.

Customers

Crown's largest customers consist of many of the leading manufacturers and marketers of packaged consumer products in the world. Consolidation trends among beverage and food marketers have led to a concentrated customer base. Crown's top ten global customers represented in the aggregate approximately 29% of its 2014 net sales. In each of the years in the period 2012 through 2014, no one customer accounted for more than ten percent of Crown's net sales. Each operating segment of Crown has major customers and the loss of one or more of these major customers could have a material adverse effect on an individual segment or Crown as a whole. Major customers include those listed above under "—Products." In addition to sales to Coca-Cola and Pepsi-Cola, Crown also supplies independent licensees of Coca-Cola and Pepsi-Cola.

Research and Development

Crown's principal Research, Development & Engineering (RD&E) Centers are located in Alsip, Illinois and Wantage, England. Crown utilizes its centralized RD&E capabilities to advance and deliver technologies for Crown's worldwide packaging activities that (1) promote development of value-added metal packaging systems for its customers, (2) design cost-efficient manufacturing processes, systems and materials that further the sustainability of metal packaging, (3) provide continuous quality and/or production efficiency improvements in its manufacturing facilities, (4) advance customer and vendor relationships, and (5) provide value-added engineering services and technical support. These capabilities facilitate (1) the identification of new and/or expanded market opportunities by working directly with customers to develop new packaging products or enhance existing packaging products through the application of new technologies that better differentiate our customers' products in the retail environment (for example, the creation of new packaging shapes or novel decoration methods) and/or the incorporation of consumer-valued features (for example, improved openability and ease of use) and (2) the reduction of manufacturing costs by reducing the material content of Crown 's products (while retaining necessary performance characteristics), reducing spoilage, and increasing operating efficiencies in our manufacturing facilities.

Crown maintains a substantial portfolio of patents and other intellectual property (IP) in the field of metal packaging systems and seeks strategic partnerships to extend its IP in existing and emerging markets. As a result, Crown has licensed IP in geographic regions where Crown has a limited market presence today. Existing technologies such as SuperEnd® beverage ends, the 360 End™ beverage end and can shaping have been licensed in Australia, Japan, and Africa to provide customers with global access to Crown's brand building innovations.

Crown spent $39 million in 2014, $36 million in 2013, and $43 million in 2012 in its centralized RD&E activities. Certain of these activities are expected to improve and expand Crown's product lines in the future. These expenditures include projects within Crown's RD&E facilities to improve manufacturing efficiencies, reduce unit costs, and develop new and improved value-added packaging systems. These expenditures do not include related product and process developments occurring within Crown's decentralized business units.

Materials and Suppliers

Crown uses various raw materials, primarily aluminum and steel, in its manufacturing operations. In general, these raw materials are purchased in highly competitive, price-sensitive markets which have historically exhibited price and demand cyclicality. These and other materials used in the manufacturing process have historically been available in adequate supply from multiple sources.

Generally, Crown's principal raw materials are obtained from the major suppliers in the countries in which it operates plants. Some plants in less developed countries, which do not have local mills, obtain raw materials from nearby, more developed countries. Crown has agreements for what it considers adequate supplies of raw materials. However, sufficient quantities may not be available in the future due to, among other things, shortages due to excessive demand, weather or other factors, including disruptions in supply caused by raw material transportation or production delays. From time to time, some of the raw materials have been in short supply but, to date, these shortages have not had a significant impact on Crown's operations.

In 2014, consumption of steel and aluminum represented 27% and 37%, respectively, of consolidated cost of products sold, excluding depreciation and amortization. Due to the significance of these raw materials to overall cost of products sold, raw material efficiency is a critical cost component of the products manufactured. Supplier consolidations, changes in ownership, government regulations, political unrest and increased demand for raw materials in the packaging and other industries, among other risk factors, provide uncertainty as to the availability of and the level of prices at which Crown might be able to source such raw materials in the future. Moreover, the prices of aluminum and steel can be subject to significant volatility. Crown's raw material supply contracts vary as to terms and duration, with steel contracts typically one year in duration with fixed prices or set repricing dates, and aluminum contracts typically multi-year in duration with fluctuating prices based on aluminum ingot costs. Crown generally attempts to mitigate its steel and aluminum price risk by matching its purchase obligations with its sales agreements; however, there can be no assurance that Crown will be able to fully mitigate that risk.

Crown, in agreement with customers in many cases, also uses commodity and foreign currency forwards in an attempt to manage its exposure to aluminum price volatility.

There can be no assurance that Crown will be able to fully recover from its customers the impact of aluminum and steel price increases or that the use of derivative instruments will effectively manage Crown's exposure to price volatility. In addition, if Crown is unable to purchase steel and aluminum for a significant period of time, its operations would be disrupted and if Crown were unable to fully recover the higher cost of steel and aluminum, its financial results may be adversely affected. Crown continues to monitor this situation and the effect on its operations. As a result of continuing global supply and demand pressures, other commodity-related costs affecting Crown's business may increase as well, including natural gas, electricity and freight-related costs. Crown will attempt to increase prices on its products accordingly in order to recover these costs.

In response to the volatility of raw material prices, ongoing productivity and cost reduction efforts in recent years have focused on improving raw material cost management.

Crown's manufacturing facilities are dependent, in varying degrees, upon the availability of water and processed energy, such as natural gas and electricity. Certain of these may become difficult or impossible to obtain on acceptable terms due to external factors which could increase Crown's costs or interrupt its business.

Aluminum and steel, by their very nature, can be recycled at high effectiveness and can be repeatedly reused to form new consumer packaging with minimal or no degradation in performance, quality or safety. By recycling these metals, large amounts of energy can be saved and significant water use and carbon dioxide emissions avoided.

Sustainability and Environmental, Health and Safety Matters

Crown's operations are subject to numerous laws and regulations governing the protection of the environment, disposal of waste, discharges into water, emissions into the atmosphere and the protection of employee health and safety. Future regulations may impose stricter environmental requirements on the packaging industry and may require additional capital investment. Anticipated future restrictions in some jurisdictions on the use of certain coatings may require Crown to employ additional control equipment or process modifications. Crown has a Corporate Sustainability Policy and a Corporate Environmental Protection Policy. Environmental awareness is a key component of sustainability. Environmental considerations are among the criteria by which Crown evaluates projects, products, processes and purchases. Crown is committed to continuous improvement in product design and manufacturing practices to provide the best outcome for the human and natural environment, both now and in the future. By reducing the per-unit amount of raw materials used in manufacturing its products, Crown can significantly reduce the amount of energy, water and other resources and associated emissions necessary to manufacture metal containers. Crown aims to continue that process of improvement in its manufacturing process to assure that consumers and the environment are best served through the use of metal packaging. Crown is also committed to providing a safe work environment for its employees through programs that emphasize safety awareness and the elimination of injuries and incidents. There can be no assurance that current or future environmental laws or liabilities will not have a material effect on Crown's financial condition, liquidity or results of operations. Discussion of Crown's environmental matters is contained within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the caption "Environmental Matters," and under Note N to Crown's audited consolidated financial statements included in this offering memorandum.

Working Capital

Crown generally uses cash during the first nine months of the year to finance seasonal working capital needs. Crown's working capital requirements are funded by cash flows from operations, revolving credit facilities and receivables securitization and factoring programs.

Further information relating to Crown's liquidity and capital resources is set forth within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the caption "Liquidity" and under Note R to Crown's audited consolidated financial statements included in this offering memorandum.

Collection and payment periods tend to be longer for some of Crown's operations located outside the United States due to local business practices.

Employees

At December 31, 2014, Crown had approximately 23,000 employees. Collective bargaining agreements with varying terms and expiration dates cover approximately 15,400 employees. Crown does not expect that renegotiation of the agreements expiring in 2015 will have a material adverse effect on its consolidated results of operations, financial position or cash flow.

Properties

As of December 31, 2014, Crown operated 149 manufacturing facilities of which 29 were leased. Crown has three divisions, defined geographically, within which it manufactures and markets its products. At December 31, 2014, the Americas Division had 45 operating facilities of which 10 were leased. Within the Americas Division, 30 facilities were operated in the United States of which seven (7) were leased. At December 31, 2014, the European Division had 74 operating facilities of which 14 were leased, and the Asia-Pacific Division had 30 operating facilities of which four (4) were leased. Crown also has canmaking and spare part operations in the United States and the United Kingdom, one of which was a leased facility. Certain leases provide renewal or purchase options. The principal manufacturing facilities at December 31, 2014 are listed below and are grouped by product and by division.

Crown's Americas and Corporate headquarters are in Philadelphia, Pennsylvania, its European headquarters is in Baar, Switzerland and its Asia Pacific headquarters is in Singapore. Crown maintains research facilities in Alsip, Illinois and Wantage, England.

Crown's manufacturing and support facilities are designed according to the requirements of the products to be manufactured. Therefore, the type of construction may vary from plant to plant. Warehouse space is generally provided at each of the manufacturing locations, although Crown also leases outside warehouses.

Ongoing productivity improvements and cost reduction efforts in recent years have focused on upgrading and modernizing facilities to reduce costs, improve efficiency and productivity and phase out uncompetitive facilities. Crown has also opened new facilities to meet increases in market demand for its products. These actions reflect Crown's continued commitment to realign manufacturing facilities to maintain its competitive position in its markets. Crown continually reviews its operations and evaluates strategic opportunities. Further discussion of Crown's recent restructuring actions is contained within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the captions "Provision for Restructuring," and under Note O to Crown's audited consolidated financial statements included in this offering memorandum.

Utilization of any particular facility varies based upon product demand. While not possible to measure with any degree of certainty or uniformity the productive capacity of these facilities, management believes that, if necessary, production can be increased at several existing facilities through the addition of personnel, capital equipment and, in some facilities, square footage available for production. In addition, Crown may from time to time acquire additional facilities or dispose of existing facilities.

Excluded from the list below are operating facilities in unconsolidated subsidiaries as well as service or support facilities. The service or support facilities include machine shop operations, plant operations dedicated to printing for cans and closures, coil shearing, coil coating and RD&E operations. Some operating facilities produce more than one product but have been presented below under the product with the largest contribution to sales. Also excluded are five plants in Mexico related to the acquisition of Empaque in February 2015.

Included are four specialty packaging plants (Rouen, France; Helsinki, Finland; Aesch, Switzerland; and Liverpool, UK) which were sold in March 2015.

	Americas		Europe		Asia-Pacific
Beverage And Closures	Lawrence, MA Kankakee, IL Crawfordsville, IN Mankato, MN Batesville, MS Dayton, OH Cheraw, SC Conroe, TX Fort Bend, TX Winchester, VA Olympia, WA La Crosse, WI	Worland, WY Cabreuva, Brazil Teresina, Brazil Estancia, Brazil Manaus, Brazil Ponta Grossa, Brazil Calgary, Canada Weston, Canada Santafe de Bogota, Colombia Guadalajara, Mexico	Custines, France Korinthos, Greece Patras, Greece Amman, Jordan Dammam, Saudi Arabia Jeddah, Saudi Arabia Kosice, Slovakia Angoncillo, Spain	Sevilla, Spain El Agba, Tunisia Izmit, Turkey Osmaniye, Turkey Dubai, UAE Botcherby, UK Braunstone, UK	Phnom Penh, Cambodia Sihanoukville, Cambodia Beijing, China Huizhou, China Hangzhou, China Heshan, China Putian, China Shanghai, China Ziyang, China Bangi, Malaysia Singapore Nong Khae, Thailand Danang, Vietnam Dong Nai, Vietnam Hanoi, Vietnam Ho Chi Minh City, Vietnam
Food and Closures	Winter Garden, FL Pulaski Park, MD Owatonna, MN Omaha, NE Lancaster, OH Massillon, OH Mill Park, OH Connellsville, PA Hanover, PA	Suffolk, VA Seattle, WA Oshkosh, WI Chatham, Canada Kingston, Jamaica La Villa, Mexico Barbados, West Indies Trinidad, West Indies	Carpentras, France Concarneau, France Laon, France Nantes, France Outreau, France Perigueux, France Lübeck, Germany Mühldorf, Germany Seesen, Germany(2) Tema, Ghana Thessaloniki, Greece Komye, Hungary Nagykoros, Hungary Athy, Ireland Aprilia, Italy(2) Battipaglia, Italy Calerno S. Ilario d'Enza, Italy Nocera Superiore, Italy Parma, Italy Abidjan, Ivory Coast	Toamasina, Madagascar Agadir, Morocco(2) Casablanca, Morocco Pisco, Peru Goleniow, Poland Pruszcz, Poland Alochete, Portugal Novotitarovskaya, Russia Timashevsk, Russia Bellville, South Africa Aldeanuevra De Ebro, Spain Las Torres De Cotillas, Spain Llanera, Spain Merida, Spain Osuna, Spain Pontavedra, Spain Sevilla, Spain Karacabey, Turkey Neath, UK Poole, UK Wisbech, UK	Bangpoo, Thailand Haadyai, Thailand Samrong, Thailand Songkhla, Thailand
Aerosol	Alsip, IL Decatur, IL	Faribault, MN Spartanburg, SC	Spilamberto, Italy Mijdrecht, Netherlands	Sutton, UK	
Specialty Packaging	Belcamp, MD		Helsinki, Finland Chatillon-sur-Seine, France Rouen, France Vourles, France Chignolo Po, Italy Hoom, Netherlands	Aesch, Switzerland Liverpool, UK Carlisle, UK Mansfield, UK Newcastle, UK	Chengdu, China Huizhou, China Kunshan, China Langfang, China Shanghai, China Tianjin, China Tongxiang, China Zhengzhou, China Singapore Binh Duong, Vietnam
Canmaking & Spares	Norwalk, CT		Shipley, UK		

Legal Proceedings

Crown Cork is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. These claims arose from the insulation operations of a U.S. company, the majority of whose stock Crown Cork purchased in 1963. Approximately ninety days after the stock purchase, this U.S. company sold its insulation assets and was later merged into Crown Cork. At December 31, 2014, the accrual for pending and future asbestos claims and related legal costs that are probable and estimable was $275 million.

Crown has been identified by the Environmental Protection Agency as a potentially responsible party (along with others, in most cases) at a number of sites.

Further information on these matters and other legal proceedings is presented within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the captions "Provision for Asbestos" and "Environmental Matters" and under Note M and Note N to Crown's audited consolidated financial statements included in this offering memorandum.

In March 2015, the *Bundeskartellamt*, or German Federal Cartel Office ("FCO"), conducted unannounced inspections of the premises of several metal packaging manufacturers, including one of our German subsidiaries. The local court order authorizing the inspection cited FCO suspicions of anti-competitive agreements in the market for the supply of metal packaging products. The FCO's investigation is ongoing. To date, the FCO has not officially charged Crown or any of its subsidiaries with any violations of competition law. Crown has commenced an internal investigation into the matter. If the FCO finds that the Company or any of its subsidiaries violated competition law, the FCO has the authority to levy fines, which could be material. At this stage Crown is unable to predict the ultimate outcome of the FCO's investigation and any potential loss cannot be estimated.

MANAGEMENT

The principal executive officers and directors of Crown are as follows:

Name	Age	Title
John W. Conway	69	Chairman of the Board and Chief Executive Officer
Timothy J. Donahue	52	President and Chief Operating Officer
Djalma Novaes	54	President—Americas Division
Gerard H. Gifford	60	President—European Division
Jozef Salaerts	61	President—Asia-Pacific Division
Thomas A. Kelly	55	Senior Vice President and Chief Financial Officer
David A. Beaver	39	Vice President and Corporate Controller
Jenne K. Britell, Ph.D.	72	Director
Arnold W. Donald	60	Director
William G. Little	72	Director
Hans J. Löliger	72	Director
James H. Miller	66	Director
Josef M. Müller	67	Director
Thomas A. Ralph	74	Director
Caesar F. Sweitzer	64	Director
Jim L. Turner	69	Director
William S. Urkiel	69	Director

The business address for each of the executive officers is One Crown Way, Philadelphia, PA 19154.

Biographies of Executive Officers

John W. Conway. Mr. Conway has served as Chairman of the Board, and Chief Executive Officer of Crown since 2001 and has been a member of the board of directors of Crown since 1997. Mr. Conway served as President of Crown from 1998 to 2013, Chief Operating Officer of Crown from 1998 to 2001 and Executive Vice President of Crown prior to 1998. Mr. Conway is also a director of PPL Corporation. Mr. Conway is a graduate of the University of Virginia and Columbia University Law School.

Timothy J. Donahue. Mr. Donahue has been President and Chief Operating Officer of Crown since 2013. Mr. Donahue served as Executive Vice President and Chief Financial Officer of Crown from December 2008 to 2013 and was formerly Senior Vice President—Finance of Crown, a position he had held since 2000. He was also Senior Vice President and Corporate Controller from 1998 to 2000 and Corporate Controller from 1991 to 1998. Mr. Donahue holds a B.S. in Accounting from Villanova University.

Djalma Novaes, Jr. Mr. Novaes has been President of the Americas Division since January 2015. Mr. Novaes served as President of Crown's joint venture, CROWN Embalagens Metalicas de Amazonia S.A. ("Crown Brazil") from April 2014 to January 2015. He served as the Chief Operating Officer of Fitesa, a subsidiary of a subsidiary of Évora S.A., from March 2012 to April 2014. Before that, Mr. Novaes held a number of positions within Crown, including Director of Operations for Crown Brazil, as well as Area Manager and Vice President of Operations at CROWN Beverage Packaging North America. Mr. Novaes first joined Crown in 1998. Mr. Novaes holds a Bachelor of Science degree in Mechanical Engineering from Pontificia Universidade Catolica do Rio de Janeiro and an MBA from Fundacao Getulio Vargas in Sao Paulo.

Gerard H. Gifford. Mr. Gifford has been President of the European Division since June 2012. Mr. Gifford has been with Crown for more than 30 years and previously served as President of

CROWN Beverage Packaging North America. He holds a Bachelor of Science degree in Mechanical and Industrial Engineering from Clarkson University and has completed the Advanced Management Program at Harvard Business School.

Jozef Salaerts. Mr. Salaerts has been President of the Asia-Pacific Division since 2007. Mr. Salaerts previously served as Senior Vice President of the Asia-Pacific Division and the Division's Senior Vice President for South East Asia & Closures Asia and as its Vice President and Chief Financial Officer. Mr. Salaerts joined Crown in 1989 in its Belgian operations. He holds an undergraduate degree in Applied Economics and a graduate degree of Engineer in Applied Economics from the University of Antwerp, Belgium.

Thomas A. Kelly. Mr. Kelly has been Senior Vice President and Chief Financial Officer of Crown since 2013. Mr. Kelly served as Senior Vice President—Finance of Crown from 2009 to 2013. Mr. Kelly was formerly Senior Vice President and Corporate Controller from 2008 to 2009 and Corporate Controller from 2000 to 2008. He was also Assistant Controller from 1992 to 2000. Mr. Kelly holds a B.S. in Accounting from Villanova University.

David A. Beaver. Mr. Beaver has been Vice President and Corporate Controller of Crown since March 2015. Mr. Beaver previously served as Assistant Corporate Controller after joining Crown from PricewaterhouseCoopers in 2010. Mr. Beaver holds a Bachelor of Arts degree in Accounting from Holy Family University.

Biographies of Directors

Jenne K. Britell. Dr. Britell has been a member of the board of directors of Crown since 2000. Dr. Britell is a former Senior Managing Director of Brock Capital Group LLC. Dr. Britell is a former Chairman and Chief Executive Officer of Structured Ventures and former Executive Officer of several General Electric financial services companies. Dr. Britell is the Chairman of United Rentals and is also a director of Quest Diagnostics.

John W. Conway. See above.

Arnold W. Donald. Mr. Donald has been a member of the board of directors of Crown since 1999. Mr. Donald is the President, Chief Executive Officer and Director of Carnival Corporation. Mr. Donald is a former President and Chief Executive Officer of The Executive Leadership Counsel. He is also a director of Bank of America Corporation and a former director of The Laclede Group and Oil-Dri Corporation of America.

William G. Little. Mr. Little has been a member of the board of directors of Crown since 2003. He is a former Chairman and Chief Executive Officer of West Pharmaceutical Services.

Hans J. Löliger. Mr. Löliger has been a member of the board of directors of Crown since 2001. Mr. Löliger is also the Vice Chairman of Winter Group and former Chief Executive Officer of SICPA Group.

James H. Miller. Mr. Miller has been a member of the board of directors of Crown since 2010. Mr. Miller is a former Chairman and Chief Executive Officer of PPL Corporation. He is also a director of Rayonier Advanced Materials, AES Corporation and Chicago Bridge + Iron Company, and a former Director of Lehigh Gas Partners.

Josef M. Müller. Mr. Müller has been a member of the board of directors of Crown since 2011. Mr. Müller is the President of Swiss Association of Branded Consumer Goods 'PROMARCA' and a former Chairman and Chief Executive Officer of Nestlé in the Greater China Region.

Thomas A. Ralph. Mr. Ralph has been a member of the board of directors of Crown since 1998. Mr. Ralph is a retired Partner of Dechert LLP.

Caesar F. Sweitzer. Mr. Sweitzer has been a member of the board of directors of Crown since 2014. Mr. Sweitzer is a former Senior Advisor and Managing Director of Citigroup Global Markets.

Jim L. Turner. Mr. Turner has been a member of the board of directors of Crown since 2005. Mr. Turner is a principal of JLT Beverages LP and former Chairman, President and Chief Executive Officer of Dr Pepper/Seven Up Bottling Group. Mr. Turner is also a director of Dean Foods and Comstock Resources.

William S. Urkiel*.* Mr. Urkiel has been a member of the board of directors of Crown since 2004. Mr. Urkiel is a former Senior Vice President and Chief Financial Officer of IKON Office Solutions. He is also a director of Roadrunner Transportation Systems.

BENEFICIAL OWNERSHIP

Crown indirectly beneficially owns all of the capital stock of Crown European Holdings.

The following table shows, as of March 3, 2015, the number of shares of common stock of Crown beneficially owned by each person or group that is known to Crown to be the beneficial owner of more than five percent of Crown's outstanding common stock.

Name and Address	Amount of Common Stock of Crown Owned Beneficially, Directly or Indirectly	Percentage of Outstanding Shares(1)
Massachusetts Financial Services Company(2) 111 Huntington Avenue Boston, MA 02199	11,821,939	8.5%
BlackRock, Inc. and its affiliates(3) 40 East 52nd Street New York, NY 10022	9,339,360	6.7%
Boston Partners(4) One Beacon Street Boston, MA 92108	9,195,934	6.6%
The Vanguard Group(5) 100 Vanguard Blvd. Malvern, PA 19355	8,511,133	6.1%
JPMorgan Chase & Co.(6) 270 Park Avenue New York, NY 10017	8,157,594	5.9%
Janus Capital Management LLC(7) 151 Detroit Street Denver, CO 80206	7,250,380	5.2%

(1) Percentages are derived based upon 139,181,151 shares of Crown common stock outstanding as of March 3, 2015.

(2) Massachusetts Financial Services Company, an investment advisor, reported that it may be deemed to be the beneficial owner of 11.821,939 shares of Crown's common stock. Massachusetts Financial Services Company reported that it had sole dispositive power with respect to 11,821,939 shares, including 10,819,427 shares for which it had sole voting power.

(3) BlackRock, Inc., a parent holding company, reported that it may be deemed to be the beneficial owner of 9,339,360 shares of Crown's common stock. BlackRock, Inc. reported that it had sole dispositive power with respect to 9,339,360 shares, including 8,717,841 shares for which it had sole voting power.

(4) Boston Partners, an investment advisor, reported that it may be deemed to be the beneficial owner of 9.195,934 shares of Crown's common stock. Boston Partners reported that it had sole dispositive power with respect to 9,195,934 shares, including 7,964,234 shares for which it had sole voting power and 20,980 shares for which it had shared voting power.

(5) The Vanguard Group, an investment adviser, reported that it may be deemed to be the beneficial owner of 8,511,133 shares of Crown's common stock. The Vanguard Group reported that it had sole dispositive power with respect to 8,394,658 shares, including 133,875 shares for which it had sole voting power, and shared dispositive power with respect to 116,475 shares.

(6) JPMorgan Chase & Co., a parent holding company, reported that it may be deemed to be the beneficial owner of 8.157,594 shares of Crown's common stock. JPMorgan Chase & Co. reported that it had sole dispositive power with respect to 8,064,117 shares, including 6,679,093 shares for which it had sole voting power and 82,219 shares for which it had shared voting power, and shared dispositive power with respect to 91,593 shares.

(7) Janus Capital Management LLC, an investment advisor and parent holding company, reported that it may be deemed to be the beneficial owner of 7.250,380 shares of Crown's common stock. Janus Capital Management LLC reported that it had sole dispositive and sole voting power with respect to 4,219,469 shares and shared dispositive and shared voting power with respect to 3,030,911 shares.

The following table shows, as of March 3, 2015, the number of shares of common stock beneficially owned by each of Crown's directors, Crown's Chief Executive Officer, Chief Financial Officer and the three other executive officers who were the highest paid during 2014, and all directors and executive officers as a group. The directors and executive officers of Crown have sole voting and investment power with respect to the securities of Crown listed in the table below.

Name	Amount of Securities of Crown Owned Beneficially, Directly or Indirectly	Percentage of Outstanding Shares(1)
Jenne Britell	52,368	*
John Conway(2)	1,537,813	1.21%
Timothy Donahue(2)	258,062	*
Arnold Donald(3)	20,907	*
Gerard Gifford(4)	112,028	*
Thomas Kelly(2)(5)	116,134	*
William Little	42,881	*
Hans Löliger	69,000	*
Raymond McGowan	86,161	*
James Miller	11,371	*
Josef Müller	10,684	*
Thomas Ralph	70,707	*
Caesar Sweitzer	2,284	*
Jim Turner	79,095	*
William Urkiel	34,314	*
Directors and Executive Officers as a Group of 18(6)	2,660,601	1.9%

* Less than 1%.

(1) Percentages are derived based upon 139,181,151 shares of Crown common stock outstanding as of March 3, 2015.

(2) Excludes 3,000,000 shares of common stock held in the Crown Cork & Seal Company, Inc. Master Retirement Trust on behalf of various Crown pension plans (the "Trust Shares"). Messrs. Conway, Donahue and Kelly are each members of the Benefits Plan Investment Committee of the trust, which has sole voting and dispositive power with respect to the Trust Shares, but disclaim beneficial ownership of the Trust Shares.

(3) Includes 16,708 shares of common stock held in a revocable family trust, of which Mr. Donald is trustee.

(4) Includes 27,000 shares of common stock subject to presently exercisable options held by Mr. Gifford.

(5) Includes 40,000 shares of common stock subject to presently exercisable options held by Mr. Kelly.

(6) Includes 75,000 shares of common stock subject to presently exercisable options held by certain Executive Officers (exclusive of those options listed in the preceding footnotes).

DESCRIPTION OF CERTAIN INDEBTEDNESS

Credit Facilities

Set forth below is a summary of the terms of Crown's senior secured credit facilities. You should refer to the appropriate sections of the respective agreements governing each of Crown's senior secured credit facilities for all of the terms thereof, which are available upon request from Crown.

Borrowers

The borrowers under Crown's senior secured credit facilities are Crown Americas, Crown European Holdings, CROWN Metal Packaging Canada LP and certain subsidiaries of Crown European Holdings approved by the administrative agent.

The Facilities

Crown's senior secured credit facilities include the following: (i) a \$450 million Dollar Revolving Facility, (ii) a \$700 million Multicurrency Revolving Facility, (iii) a \$50 million Canadian Revolving Facility, (iv) a \$220 million Term Loan A Facility, (v) a \$75 million Additional Term Loan A Facility, (vi) a \$580 million Delayed Draw Term Loan A Facility, (vii) a \$675 million Term Loan B Facility, (viii) a €110 million Term Euro Facility, (ix) a €590 million Delayed Draw Term Euro Facility and (x) a \$362 million Farm Credit Facility (together, the "Facilities").

The maturity date for the Facilities, other than the Farm Credit Facility and the Term Loan B Facility, is December 19, 2018. The maturity date for the Farm Credit Facility is December 19, 2019. The maturity date for the Term Loan B Facility is February 18, 2022.

The applicable interest margins and commitment fee in respect of the Facilities are subject to a grid.

Guarantees

The U.S. Credit Parties (as defined below) guarantee borrowings by Crown Americas under the Term Loan A Facility, the Farm Credit Facility, the Dollar Revolving Credit Facility and all other loans of Crown Americas. The U.S. Credit Parties, certain of Crown's subsidiaries in Canada, England or Wales, Luxembourg, the Netherlands, Spain, Switzerland and Crown European Holdings' subsidiaries organized in France, Germany, Mexico and the Netherlands guarantee borrowings under the Facilities by non-U.S. borrowers. The Empaque entities in the Netherlands currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries. The Empaque Mexico entities do not currently guarantee the outstanding senior secured credit facilities of Crown European Holdings and its subsidiaries but are expected to become guarantors thereof.

Security

Borrowings under the Facilities by Crown Americas are, with certain limited exceptions, secured by substantially all of the assets of Crown Holdings and each of its direct and indirect U.S. subsidiaries (existing or thereafter acquired or created) (collectively, the "U.S. Credit Parties"); provided that the pledge of capital stock of any first-tier non-U.S. subsidiaries is limited to 65% of such capital stock (the "U.S. Collateral"). Borrowings under the Facilities by the non-U.S. borrowers are, with certain limited exceptions, secured by the U.S. Collateral, substantially all of the assets of the guarantors that are domiciled in Canada and the United Kingdom and a pledge of all of the capital stock and intercompany notes of Crown Americas, the non-U.S. borrowers, the guarantors of the non-U.S. borrowers and the direct and indirect subsidiaries of Crown Americas, the non-U.S. borrowers and the guarantors of the non-U.S. borrowers (existing or thereafter acquired or created).

Prepayments; Covenants; Events of Default

The Facilities contain affirmative and negative covenants, financial covenants requiring Crown Holdings to maintain a maximum leverage ratio and a minimum interest coverage ratio, representations and warranties and events of default customary for facilities of this type. In addition, the term loan facility contains mandatory prepayment provisions customary for facilities of this type. The Facilities also permit the borrowers to incur additional secured and unsecured debt (including additional first lien debt), subject to covenant compliance and other terms and conditions.

Outstanding Senior Notes due 2021

On January 31, 2011, Crown Americas and Crown Americas Capital Corp. III ("Crown Americas Capital III") issued senior unsecured notes under an indenture among Crown Americas and Crown Americas Capital III, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee. Set forth below is a summary of the terms of the outstanding senior notes due 2021. You should refer to the indenture for all of the terms thereof, which is filed with the SEC as Exhibit 4.2 to Crown's Current Report on Form 8-K filed on February 2, 2011.

Principal, Maturity and Interest

The senior notes issued by Crown Americas and Crown Americas Capital III in 2011 will mature on February 1, 2021 and accrue interest at the rate of 6.25% per year. The aggregate principal amount outstanding as of December 31, 2014 of the senior notes due 2021 was $700 million. Interest on each series of senior notes is payable semi-annually in arrears on each February 1 and August 1.

Ranking and Guarantees

The senior notes due 2021 are senior obligations of Crown Americas and Crown Americas Capital III, ranking senior in right of payment to all subordinated indebtedness of Crown Americas and Crown Americas Capital III.

The senior notes due 2021 are guaranteed on a senior basis by Crown and each of Crown's present and future U.S. subsidiaries (other than Crown Americas, Crown Americas Capital Corp., Crown Americas Capital II, Crown Americas Capital III and Crown Americas Capital IV) that from time to time are obligors under or guarantee Crown's senior secured credit facilities.

The senior notes due 2021 and note guarantees are senior unsecured obligations of Crown Americas and Crown Americas Capital III and the guarantors,

- effectively ranking junior in right of payment to all existing and future secured indebtedness of Crown Americas and Crown Americas Capital III and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;
- structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries which include all of Crown's foreign subsidiaries and any U.S. subsidiaries that are neither obligors nor guarantors of Crown's senior secured credit facilities;
- ranking equal in right of payment to any existing or future senior unsecured indebtedness of Crown Americas and Crown Americas Capital III and the guarantors; and
- ranking senior in right of payment to all existing and future subordinated indebtedness of Crown Americas and Crown Americas Capital III and the guarantors.

Upon the release of any note guarantor from its obligations under Crown's senior secured credit facilities, unless there is existing a default or event of default under the indenture governing the senior notes due 2021, the guarantee of such notes by such note guarantor will also be released.

Optional Redemption

Crown Americas and Crown Americas Capital III may redeem some or all of the senior notes due 2021 at any time prior to February 1, 2016 by paying a “make-whole” premium, plus accrued and unpaid interest, if any, to the redemption date. Thereafter, Crown Americas and Crown Americas Capital III may redeem some or all of the senior notes due 2021 at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any, to the redemption date.

Change of Control

Upon a change of control of Crown, as defined under the indenture for senior notes due 2021, the holders of such notes will have the right to require Crown Americas and Crown Americas Capital III to repurchase all or part of such notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

Certain Covenants

The indenture governing the senior notes due 2021 limits, among other things, Crown’s ability and the ability of its restricted subsidiaries (including Crown Americas and Crown Americas Capital III) to: incur additional debt and issue preferred stock; pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments; create liens and engage in sale and leaseback transactions; create restrictions on the payment of dividends and other amounts to Crown, Crown Americas or Crown Americas Capital III from restricted subsidiaries; sell assets or merge or consolidate with or into other companies; and engage in transactions with affiliates.

If at any time the senior notes due 2021 are rated investment grade by both Moody’s Investors Service, Inc. and Standard & Poor’s Ratings Services and no default or event of default has occurred and is continuing under the indenture governing such notes, Crown and its subsidiaries will no longer be subject to certain of these restrictions.

Such covenants are subject to certain other exceptions and limitations.

Outstanding Senior Notes due 2022

On July 8, 2014, Crown European Holdings issued senior notes under an indenture among Crown European Holdings, the guarantors named therein, U.S. Bank National Association, as trustee, Elavon Financial Services Limited, UK Branch, as paying agent and transfer agent, and Elavon Financial Services Limited, as registrar.

Set forth below is a summary of the terms of the outstanding senior notes due 2022. You should refer to the indenture for all of the terms thereof, which is filed with the SEC as Exhibit 4.1 to Crown’s Current Report on Form 8-K filed on July 11, 2014.

Principal, Maturity and Interest

The senior notes issued by Crown European Holdings will mature on July 15, 2022 and accrue interest at the rate of 4.0% per year. The aggregate principal amount outstanding as of December 31, 2014 of the senior notes due 2022 was €650 million. Interest on each series of senior notes is payable semi-annually in arrears on each January 15 and July 15.

Ranking and Guarantees

The senior notes due 2022 are senior obligations of Crown European Holdings, ranking senior in right of payment to all subordinated indebtedness of Crown European Holdings.

The senior notes due 2022 are guaranteed on a senior basis by (i) Crown and each of Crown's U.S., Canadian and U.K. restricted subsidiaries that from time to time are obligors under or guarantee Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any indebtedness of Crown, Crown European Holdings or another guarantor of the notes and (ii) each of Crown European Holdings' restricted subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, Crown European Holdings or another guarantor or are otherwise obligors under Crown's senior secured facilities, unless the incurrence of such guarantee is prohibited by the laws of the jurisdiction of incorporation or formation of such restricted subsidiary.

The senior notes due 2022 and note guarantees are senior unsecured obligations of Crown European Holdings and the guarantors,

- effectively ranking junior in right of payment to all existing and future secured indebtedness of the issuer and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;
- structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries;
- ranking equal in right of payment to any existing or future senior unsecured indebtedness of Crown European Holdings and the guarantors; and
- ranking senior in right of payment to all existing and future subordinated indebtedness of Crown European Holdings and the guarantors.

Upon the release of any note guarantor from its obligations under Crown's senior secured credit facilities, unless there is existing a default or event of default under the indenture governing the senior notes due 2022, the guarantee of such notes by such note guarantor will also be released.

Optional Redemption

Crown European Holdings may redeem some or all of the senior notes due 2022 on or prior to the date that is 90 days prior to the scheduled maturity of the notes at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date and a "make-whole" premium. The senior notes due 2022 will be redeemable at any time after the date that is 90 days prior to the scheduled maturity date of the notes at a redemption price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to the redemption date.

Change of Control

Upon a change of control repurchase event of Crown or Crown European Holdings, as defined under the indenture for the senior notes due 2022, the holders of such notes will have the right to require Crown European Holdings to repurchase all or part of such notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

Certain Covenants

The indenture governing the senior notes due 2022 limits, among other things, Crown's ability and the ability of its restricted subsidiaries (including Crown European Holdings) to incur secured indebtedness and engage in certain sale and leaseback transactions.

Such covenants are subject to certain other exceptions and limitations.

Outstanding Senior Notes due 2023

On January 9, 2013 and January 15, 2013, Crown Americas and Crown Americas Capital Corp. IV ("Crown Americas Capital IV") issued senior unsecured notes under an indenture among Crown

Americas and Crown Americas Capital IV, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee. Set forth below is a summary of the terms of the outstanding senior notes due 2023. You should refer to the indenture for all of the terms thereof, which is filed with the SEC as Exhibit 4.2 to Crown's Current Report on Form 8-K filed on January 11, 2013.

Principal, Maturity and Interest

The senior notes issued by Crown Americas and Crown Americas Capital IV in 2013 will mature on January 15, 2023 and accrue interest at the rate of 4.50% per year. The aggregate principal amount outstanding as of December 31, 2014 of the senior notes due 2023 was $1,000 million. Interest on each series of senior notes is payable semi-annually in arrears on each January 15 and July 15.

Ranking and Guarantees

The senior notes due 2023 are senior obligations of Crown Americas and Crown Americas Capital IV, ranking senior in right of payment to all subordinated indebtedness of Crown Americas and Crown Americas Capital IV.

The senior notes due 2023 are guaranteed on a senior basis by Crown and each of Crown's present and future U.S. subsidiaries (other than Crown Americas, Crown Americas Capital Corp., Crown Americas Capital Corp. II, Crown Americas Capital III and Crown Americas Capital IV) that from time to time are obligors under or guarantee Crown's senior secured credit facilities.

The senior notes due 2023 and note guarantees are senior unsecured obligations of Crown Americas and Crown Americas Capital IV and the guarantors,

- effectively ranking junior in right of payment to all existing and future secured indebtedness of Crown Americas and Crown Americas Capital IV and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;
- structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries which include all of Crown's foreign subsidiaries and any U.S. subsidiaries that are neither obligors nor guarantors of Crown's senior secured credit facilities;
- ranking equal in right of payment to any existing or future senior unsecured indebtedness of Crown Americas and Crown Americas Capital IV and the guarantors; and
- ranking senior in right of payment to all existing and future subordinated indebtedness of Crown Americas and Crown Americas Capital IV and the guarantors.

Upon the release of any note guarantor from its obligations under Crown's senior secured credit facilities, unless there is existing a default or event of default under the indenture governing the senior notes due 2023, the guarantee of such notes by such note guarantor will also be released.

Optional Redemption

Crown Americas and Crown Americas Capital IV may redeem some or all of the senior notes due 2023 at any time at the redemption prices equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, plus a "make-whole" premium.

Change of Control

Upon a change of control of Crown, as defined under the indenture for senior notes due 2023, the holders of such notes will have the right to require Crown Americas and Crown Americas Capital IV to repurchase all or part of such notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

Certain Covenants

The indenture governing the senior notes due 2023 limits, among other things, Crown's ability and the ability of its restricted subsidiaries (including Crown Americas and Crown Americas Capital IV) to incur secured indebtedness and engage in certain sale and leaseback transactions.

Such covenants are subject to certain other exceptions and limitations.

Outstanding Debentures

Crown Cork currently has two series of debentures outstanding. The outstanding debentures were issued under the indenture among Crown Cork, Crown Cork & Seal Finance PLC, Crown Cork & Seal Finance S.A. and The Bank of New York, as trustee, dated as of December 17, 1996.

The outstanding debentures issued by Crown Cork have been guaranteed by Crown. The following table is a summary of the two series of notes outstanding as of December 31, 2014.

Outstanding Principal Amount (in millions)	Interest Rate	Maturity	Redemption by Issuer
$350	7.375%	December 2026	Redeemable at a price equal to the greater of (i) 100% of the principal amount and (ii) the sum of the present values of the remaining scheduled payments thereon, plus accrued interest
$64	7.50%	December 2096	Redeemable at a price equal to the greater of (i) 100% of the principal amount and (ii) the sum of the present values of the remaining scheduled payments thereon, plus accrued interest

The indenture under which the outstanding debentures were issued provides certain protections for the holders of such debentures. These protections restrict the ability of Crown to enter into certain transactions, such as mergers, consolidations, asset sales, sale and leaseback transactions and pledging of assets.

Consolidation, Merger, Conveyance, Transfer or Lease

Subject to certain exceptions, the indenture and agreements contain a restriction on the ability of Crown to undergo a consolidation or merger, or to transfer or lease substantially all of its properties and assets.

Limitation on Sale and Leaseback

Subject to certain exceptions, the indenture and agreements contain a covenant prohibiting Crown and certain "restricted subsidiaries" from selling any "principal property" to a person or entity and then subsequently entering into an arrangement with such person or entity that provides for the leasing by Crown or any of its restricted subsidiaries, as lessee, of such principal property. "Principal property" is defined in the indenture and agreements as any single manufacturing or processing plant or warehouse (excluding any equipment or personalty located therein) located in the United States, other than any such plant or warehouse or portion thereof that Crown's board of directors reasonably determines is not of material importance to the business conducted by Crown and its subsidiaries as an entirety. In the indenture and agreements the definition of "principal property" includes property located outside the United States. The indenture and agreements define "restricted subsidiary" to mean any subsidiary that owns, operates or leases one or more principal properties.

Limitations on Liens

Subject to certain exceptions, the indenture and agreements contain a covenant restricting Crown and its restricted subsidiaries under such indentures or agreements from creating or assuming any mortgage, security interest, pledge or lien upon any principal property (as defined above) or any shares of capital stock or evidences of indebtedness for borrowed money issued by any such restricted subsidiary and owned by Crown or any such restricted subsidiary without concurrently providing that the outstanding debentures shall be secured equally and ratably. The foregoing covenant shall not apply to the extent that the amount of indebtedness secured by liens on Crown's principal properties and Crown's restricted subsidiaries does not exceed 10% of its consolidated net tangible assets.

Receivable Securitization Facilities

On March 9, 2010, Crown Cork & Seal Receivables (DE) Corporation and CROWN Cork & Seal USA, Inc. entered into a North American receivables securitization facility with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", New York Branch, as administrative agent for the purchasers and the owners thereto. Under its committed $200 million North American facility, certain of Crown's subsidiaries sell receivables, on a revolving basis, to a wholly-owned, bankruptcy-remote subsidiary. The bankruptcy-remote subsidiary was formed for the sole purpose of buying and selling receivables generated by Crown and, in turn, sells the purchased receivables to the administrative agent for the benefit of a syndicate of financial institutions. Crown continues to service these receivables for a fee but does not retain any interest in the pool of receivables sold. At December 31, 2014, Crown had available capacity of $100 million under its North American facility. The North American facility matures in December 2015, and the interest rate applicable to yield for purchases under the facility is (1) LIBOR plus 0.80% per annum; (2) the alternative base rate plus 0.80% per annum or (iii) the commercial paper rate plus 0.80% per annum. The North American facility contains customary covenants, including the requirement to perform under the contracts underlying the receivables, comply with the credit and collection policies and reporting requirements. In Europe, Crown has a €130 million ($157 million at December 31, 2014) receivables securitization facility that matures in July 2017. At December 31, 2014, Crown had available capacity of $32 million under its European facility.

DESCRIPTION OF THE NOTES

General

Crown European Holdings S.A. (the "*Issuer*") will issue €600.0 million aggregate principal amount of 3.375% Senior Notes due 2025 (the "*Notes*") in the offering contemplated by this offering memorandum (the "*Offering*") under an indenture (the "*Indenture*") to be dated as of May 5, 2015 among the Issuer, the Guarantors (as defined below) and U.S. Bank National Association, as trustee (the "*Trustee*").

For purposes of this "Description of the Notes," references to "the Issuer" are references to Crown European Holdings S.A. and not any of its Subsidiaries. The definitions of certain other terms used in the following summary are set forth below under "—Certain Definitions."

The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the "*Trust Indenture Act*"). The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Trust Indenture Act for a statement thereof. The following summary of certain provisions of the Indenture is not necessarily complete and is qualified in its entirety by reference to the Indenture, including the definitions therein of certain terms used below. You should read the Indenture because it, and not this summary, will define your rights as a Holder of Notes. Copies of the form of the Indenture are available from the initial purchasers.

Principal, Maturity and Interest

In this Offering, the Issuer will issue €600.0 million aggregate principal amount of Notes under the Indenture. The Issuer may issue additional Notes in an unlimited amount (the "*Additional Notes*") from time to time under the Indenture. However, no offering of any Additional Notes is being or shall in any manner be deemed to be made by this offering memorandum. The Notes and any Additional Notes of the same series issued under the same Indenture will be treated as a single class for all purposes under the Indenture.

The Notes will mature on May 15, 2025. Interest on the Notes will accrue at the rate of 3.375% per annum. Interest on the Notes will be payable in cash semi-annually in arrears on May 15 and November 15, commencing on November 15, 2015, to Holders of record on the immediately preceding May 1 and November 1. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the Issue Date. Interest will be computed on the basis of a 360-day year comprising twelve 30-day months, and in the case of an incomplete month, the number of days elapsed. The redemption price at final maturity for the Notes will be 100% of their principal amount.

Principal of and premium, if any, and interest on the Notes will be payable at the office of the Paying Agent (as defined below under "—Paying Agent and Registrar for the Notes").

The Notes will be issued in denominations of €100,000 and any integral multiple of €1,000 in excess thereof.

Ranking and Guarantees

The Notes will be senior obligations of the Issuer, ranking *pari passu* in right of payment with all other existing and future senior obligations of the Issuer, including obligations under other unsubordinated Indebtedness. The Notes will be effectively subordinated to all existing and future obligations of the Issuer that are secured by Liens on any property or assets of the Issuer, to the extent of the value of the collateral securing such obligations, and will rank senior in right of payment to all existing and future obligations of the Issuer that are, by their terms, subordinated in right of payment to the Notes.

The Issuer's obligations under the Notes and the Indenture will be unconditionally Guaranteed, jointly and severally, by:

- Parent and, except as described below, each of Parent's present and future Domestic Subsidiaries as well as subsidiaries organized in Canada (each, a "*Canadian Subsidiary*"), England or Wales (each, a "*U.K. Subsidiary*"), Luxembourg (each, a "*Luxembourg Subsidiary*"), Mexico (each, a "*Mexican Subsidiary*"), the Netherlands (each, a "*Dutch Subsidiary*") , Spain (each, a "*Spanish Subsidiary*") and Switzerland (each, a "*Swiss Subsidiary*") that from time to time are obligors under the Existing Credit Facility or that Guarantee or otherwise become liable with respect to any Indebtedness of the Issuer, Parent or any other Guarantor including, without limitation, the Existing Credit Facility unless the incurrence of such Subsidiary Guarantee is prohibited by the laws of the jurisdiction of incorporation or formation of such Subsidiary; and

- subject to applicable law and excepts as described below, each of the Issuer's present and future Subsidiaries that from time to time Guarantee or otherwise become liable with respect to any Indebtedness of the Issuer, Parent or any other Guarantor including, without limitation, the Existing Credit Facility, or are otherwise obligors under the Existing Credit Facility unless the incurrence of such Guarantee is prohibited by the laws of the jurisdiction of incorporation or formation of such Subsidiary.

On the Issue Date, the Notes will be Guaranteed by (i) Parent and each of Parent's Domestic Subsidiaries (other than Crown Americas Capital Corp., Crown Americas Capital Corp. II, Crown Americas Capital Corp. III, Crown Americas Capital Corp IV, Crownway Insurance Company and Crown, Cork & Seal Receivables (DE) Corporation), (ii) certain of Parent's Canadian Subsidiaries, U.K. Subsidiaries, Luxembourg Subsidiaries, Dutch Subsidiaries, Swiss Subsidiaries and Spanish Subsidiaries (other than Adularia Inversiones 2010, S.L.U., which guarantees the Existing Credit Facility), subject to limited exceptions and applicable laws (including laws relating to corporate benefit or interest, capital, capital preservation, financial assistance or transaction under value), and (iii) each of the Issuer's Subsidiaries organized in France, Germany, Mexico and one subsidiary in the Netherlands, subject to limited exceptions and applicable laws (including laws relating to corporate benefit or interest, capital, capital preservation, financial assistance or transaction under value). None of (1) the Issuer's Subsidiaries incorporated in African or Asian nations, Belgium, Greece, Hungary, Italy, Luxembourg, Spain, Russia, Slovakia and Turkey and (2) Parent's other Foreign Subsidiaries (other than, subject to applicable law and exceptions described herein, certain Subsidiaries of Parent incorporated in Canada, England or Wales, Luxembourg, Mexico, the Netherlands, Spain and Switzerland) which are not also Subsidiaries of the Issuer, are expected to Guarantee the Notes. Because of limitations and restrictions under local law, one or more Subsidiaries of Parent that do not Guarantee the Notes may be borrowers or guarantors under the Existing Credit Facility from time to time.

Each Note Guarantee will be a senior obligation of the respective Guarantor, ranking *pari passu* in right of payment with all other senior obligations of such Guarantor, including obligations under other unsubordinated Indebtedness. Each Note Guarantee will be effectively subordinated to all existing and future obligations of such Guarantor secured by Liens on any property or assets of such Guarantor, to the extent of the value of the collateral securing such obligations, and will rank senior in right of payment to all existing and future obligations of such Guarantor that are, by their terms, subordinated in right of payment to the Note Guarantee of such Guarantor.

The Notes will be effectively subordinated to the obligations of Subsidiaries of the Issuer that do not Guarantee the Notes. As of December 31, 2014, after giving adjusted effect to the Offering, the initial use of proceeds therefrom, the Empaque acquisition and related borrowings, the Issuer's Subsidiaries that do not Guarantee the Notes had approximately $354 million of outstanding Indebtedness.

The Guarantors will Guarantee the Notes on the terms and conditions set forth in the Indenture.

A Note Guarantee of a Guarantor (other than Parent) will be unconditionally released and discharged upon any of the following:

- any Transfer (including, without limitation, by way of consolidation or merger) by Parent or any Subsidiary to any Person that is not Parent or a Subsidiary of Parent of all of the Equity Interests of, or all or substantially all of the properties and assets of, such Guarantor;
- any Transfer directly or indirectly (including, without limitation, by way of consolidation or merger) by Parent or any Subsidiary to any Person that is not Parent or a Subsidiary of Parent of Equity Interests of such Guarantor or any issuance by such Guarantor of its Equity Interests, such that such Guarantor ceases to be a Subsidiary of Parent; *provided* that such Guarantor is also released from all of its obligations in respect of Indebtedness under each Credit Facility;
- the release of such Guarantor from all obligations of such Guarantor in respect of Indebtedness under each Credit Facility, except to the extent such Guarantor is otherwise required to provide a Guarantee pursuant to the covenant described under "—Certain Covenants—Additional Note Guarantees"; or
- upon the contemporaneous release or discharge of all Guarantees by such Guarantor which would have required such Guarantor to guarantee the Notes pursuant to the covenant described under "—Certain Covenants—Additional Note Guarantees".

Except as provided under "—Certain Covenants—Merger, Consolidation or Sale of Assets," a Note Guarantee of Parent may be released and discharged only with the consent of each Holder of Notes to which such Note Guarantee relates.

No such release or discharge of a Note Guarantee of a Guarantor shall be effective against the Trustee or the Holders of Notes to which such Note Guarantee relates (i) if a Default or Event of Default shall have occurred and be continuing under the Indenture as of the time of such proposed release until such time as such Default or Event of Default is cured and waived (unless such release is in connection with the sale of the Equity Interests in such Guarantor constituting collateral for a Credit Facility in connection with the exercise of remedies against such Equity Interests or in connection with a Transfer permitted by the Indenture if, but for the existence of such Default or Event of Default, such Subsidiary would otherwise be entitled to be released from its Note Guarantee following the sale of such Equity Interests) and (ii) until the Issuer shall have delivered to the Trustee an officers' certificate, upon which the Trustee shall be entitled but not obligated to rely, stating that all conditions precedent provided for in the Indenture relating to such transactions have been complied with and that such release and discharge is authorized and permitted under the Indenture. At the request of the Issuer, the Trustee shall execute and deliver an instrument evidencing such release.

By its terms, the Guarantee of each Subsidiary Guarantor will limit the liability of each such Guarantor to the maximum amount it can pay without its Note Guarantee being deemed a fraudulent transfer, and the Note Guarantees of Parent's and the Issuer's Subsidiary Guarantors organized in certain jurisdictions, including, without limitation, Canada, England and Wales, France, Germany, the Netherlands, Switzerland, Mexico, Spain and Luxembourg, will contain language limiting the amount of

Indebtedness Guaranteed or qualifying the Note Guarantee in order to address applicable local law considerations (including preservation of share capital, capitalization, prohibited financial assistance and other legal restrictions applicable to the Guarantors, its shareholders and directors). In particular, the Note Guarantee given by any Guarantor organized under French law will be limited as to each French Subsidiary Guarantor, to the extent required by French law, to the equivalent in Euros of the portion of the proceeds of the notes used directly or indirectly to repay or refinance obligations of or obligations Guaranteed (to the extent permitted under French law) by such French Subsidiary Guarantor or to fund or refinance (directly or indirectly) advances or loans to such French Subsidiary Guarantor. The enforcement of the Note Guarantees given by each French Subsidiary Guarantor will further be limited to the extent required by applicable law to the amount such French Subsidiary Guarantor can pay without exceeding its financial capacity or otherwise resulting in insolvency of the Guarantor as of the date the Note Guarantee is subscribed or, if later further amended, restated or reaffirmed, as of such later date. See "—Certain Bankruptcy and Fraudulent Transfer Limitations," "Risk Factors—Risks Related to the Notes—The notes and the note guarantees may be voidable, subordinated or limited in scope under insolvency, fraudulent transfer, corporate or other laws" and "—Insolvency and administrative laws could limit your ability to enforce your rights under the notes and the note guarantees."

Certain Bankruptcy and Fraudulent Transfer Limitations

Fraudulent transfer, insolvency and administrative laws may void, subordinate or limit the Notes or the Note Guarantees and may otherwise limit your ability to enforce your rights under the Notes and the Note Guarantees. For more information, see "Risk Factors—Insolvency and administrative laws could limit your ability to enforce your rights under the notes and the note guarantees."

France

The following is a brief description of certain aspects of prevention of corporate difficulties and insolvency proceedings governed by French law for information purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

Any pre-insolvency and insolvency proceedings with respect to the Issuer or its Subsidiaries incorporated in France would likely proceed under the laws of France. French laws and proceedings affecting creditors include Articles 1244-1 and seq. of the French Civil Code (*Code civil*), ad hoc agency proceedings (*mandats ad hoc*), conciliation proceedings (*procédure de conciliation*), safeguard proceedings (*procédure de sauvegarde*), accelerated financial safeguard proceedings (*sauvegarde financière accélérée*), accelerated safeguard proceedings (*sauvegarde accélérée*) and judicial reorganization or liquidation proceedings (*redressement or liquidation judiciaire*). French pre-insolvency and insolvency legislation generally favors the continuation of a business and protection of employment over payment of creditors.

Insolvency test

Under French law, a company is considered to be insolvent (*en état de cessation des paiements*) when it is unable to pay its debts as they fall due with its available assets, taking into account available credit lines, existing debt rescheduling agreements and moratoria.

Grace periods

In addition to pre-insolvency and insolvency laws discussed below, the Holders of the Notes could, like any other creditors, be subject to Articles 1244-1 and seq. of the French Civil Code.

Pursuant to the provisions of Articles 1244-1 and seq. of the French Civil Code, French courts may, in any civil or commercial proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's financial needs, defer or otherwise reschedule over a maximum period of two years the payment dates of payment obligations and decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the legal rate, as published annually by the French government) or that payments made shall first be allocated to repayment of principal. If a court order under Articles 1244-1 and seq. of the French Civil Code is made, it will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the period ordered by court. A creditor cannot contract out of such grace periods. When the debtor benefits from a mandat ad hoc or a conciliation proceeding, these statutory provisions shall be read in combination with Articles L. 611-7 and L. 611-10-1 of the French Commercial Code (see "—*Conciliation* proceedings" and "—*Mandat ad hoc* proceedings").

Court-assisted informal proceedings and court-administered insolvency proceedings

French law distinguishes between:

- Appointment of an ad hoc officer (*mandataire ad hoc*) and conciliation proceedings (*procédure de conciliation*) which are informal proceedings, where the debtor voluntarily seeks the help of a court-appointed officer to negotiate an agreement with all or part of its creditors in particular with a view to restructuring its indebtedness, and
- Court-administered proceedings, where the payments by the debtor and legal actions by the creditors are suspended upon the opening of the proceedings. Within this second category, French law further distinguishes between:
    - proceedings available to debtors that are facing difficulties they cannot overcome but that are not insolvent: safeguard proceedings (*procédure de sauvegarde*), financial accelerated safeguard (*sauvegarde financière accélérée*) or accelerated safeguard (*procédure de sauvegarde accélerée*), and
    - proper insolvency proceedings: judicial reorganization (*procédure de redressement judiciaire*) or judicial liquidation (*procédure de liquidation judiciaire*) when the debtor is insolvent.

Court-assisted proceedings—Appointment of an ad hoc officer and conciliation proceedings

Mandat ad hoc proceedings

A French company facing difficulties without being insolvent (see "—*Insolvency test*") may request the opening of *mandat ad hoc* proceedings, the aim of which is to reach an agreement with the debtor's main creditors and stakeholders.

French law does not provide for any specific rule in respect of *mandat ad hoc* proceedings, except that these proceedings (i) are confidential by law and (ii) may only be initiated by the debtor company itself, in its sole discretion. *Mandat ad hoc* proceedings are not limited in time and are informal proceedings carried out under the aegis of a court-appointed officer (*mandataire ad hoc*, whose name can be suggested by the debtor) itself under the supervision of the president of the relevant court (usually the commercial court), which do not automatically involve any stay of the claims and pending proceedings.

The *mandataire ad hoc*'s duties are determined by the court. Such *mandataire ad hoc* is usually appointed in order to facilitate negotiations with creditors but cannot coerce the creditors into accepting any proposal. The agreement reached by the parties (if any) with the help of such *mandataire ad hoc* can be reported by the latter to the president of the court but is not formally approved by the court. The restructuring agreement between the company and its main creditors is negotiated on a purely consensual and voluntary basis; those creditors not willing to take part cannot be bound by the arrangement. Creditors are not barred from taking legal action against the company to recover their claims but, in practice, they usually accept not to do so.

In any event, the debtor retains the right to petition the relevant judge for a grace period pursuant to Articles 1244-1 and seq. of the French Civil Code, as set forth above.

Conciliation proceedings

A French company facing difficulties without being insolvent (see "—*Insolvency test*") (or for less than 45 calendar days) may request the opening of conciliation proceedings (*procédure de conciliation*), the aim of which is to reach an agreement with the debtor's main creditors and stakeholders.

Points that conciliation proceedings have in common with *mandat ad hoc* proceedings are (i) confidentiality by law and (ii) they may only be initiated by the debtor company itself, in its sole discretion. Main differences include (i) conditions to open conciliation proceedings, (ii) the limitation in time of conciliation proceedings and (iii) the ability to request the president of the court or the court, as applicable, to acknowledge or approve the restructuring agreement.

Such company may apply for the opening of conciliation proceedings (*procédure de conciliation*) with respect to itself if it experiences current or predictable legal, economic or financial difficulties. The debtor petitions the president of the commercial court for the appointment of a conciliator (*conciliateur*) (whose name it can suggest) in charge of assisting the debtor in negotiating with all or part of its creditors and/or trade partners an agreement providing for the restructuring of its indebtedness.

Conciliation proceedings are confidential (subject to certain exceptions) and may last up to four months (an additional month extension can be requested by the conciliator). During the proceedings, creditors may continue to sue individually for payment of their claims but they usually accept not to do so. In addition, under Article L. 611-7 of the French Commercial Code, the debtor retains the right to petition the president of the commercial court for a grace period pursuant to Articles 1244-1 and seq. of the French Civil Code (as discussed above) , in which case the decision would be taken after having heard the conciliator. The agreement reached by the parties can be either acknowledged (*constaté*) by the president of the court or approved (*homologué*) by the court. It will become binding upon them only and the creditors party thereto may not take action against the company in respect of claims governed by the conciliation agreement. The acknowledgement (*constatation*) of the agreement by the president of the court upon all parties' request, gives the agreement the legal force of a final judgment, which means that it constitutes a judicial title that can be enforced by the parties without further recourse to a judge (*titre exécutoire*). So long as the conciliation agreement is in effect, interest accruing on the affected claims can no longer be compounded.

In case of acknowledgement (*constatation*) or approval (*homologation*), the court can, at the request of the debtor, appoint the conciliator to monitor the implementation of the agreement (*mandataire à l'exécution de l'accord*) during its execution.

The conciliation agreement can also be approved by the court upon the debtor's request and under specific conditions. It will render the conciliation public and have the following specific consequences:

- creditors who provided new money, goods or services designed to ensure the continuation of the business of the distressed company (other than shareholders providing new equity) will have priority of payment over all pre-proceeding and post-proceeding claims (other than certain post-proceeding employment claims and procedural costs), in the event of subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings (the "*New Money Lien*"); and

- in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of the *cessation des paiements* and therefore the commencement date of the suspect period (*période suspecte*) (as defined below, see "*—The ''suspect period'' (période suspecte) in judicial reorganization and liquidation proceedings*") cannot except in case of fraud (see "*—Fraudulent conveyance*") be set by the court as of a date earlier than the date of the approval (homologation) of the agreement (see definition of the date of the *cessation des paiements* in "*—Judicial reorganization or liquidation proceedings*"); or

The court decision approving the conciliation agreement does not make its terms public (save for the information of the works council or the employees representatives, if any, on the content of the agreement) but makes public the guarantees and the terms of the New Money Lien granted to the creditors under the conciliation agreement.

While the agreement (whether acknowledged or approved) is in force the debtor retains the right to petition the court that opened conciliation proceedings for a debt rescheduling, pursuant to Article 1244-1 and seq. of the French Civil Code mentioned above, in relation to claims of creditors (other than certain public institution creditors) party to the conciliation, in which case the decision would be taken after having heard the conciliator in the event that such conciliator has been appointed to monitor the implementation of the agreement. Any third party having granted a guarantee (*sûreté personnelle*) or a security interest (*sûreté réelle*) to guarantee the debtor's liabilities can benefit from the provisions of the approved or acknowledged conciliation agreement.

In the event of a breach of the agreement, any party to the agreement that has been acknowledged or approved in the manner described above can petition the court for its termination. If such termination is granted, grace periods granted in relation to the conciliation proceeding may be revoked. Conversely, provided that the conciliation agreement is duly performed, any individual proceeding by creditors with respect to the claims included in the agreement are suspended. The commencement of subsequent insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims and security interests, except amounts already paid to them.

Conciliation proceedings, in the context of which a draft plan has been negotiated and is supported by a large majority of creditors, without the need to reach unanimity, will be a mandatory preliminary step of the accelerated financial safeguard proceedings, as described below.

At the request of the debtor and after the participating creditors have been consulted on the matter, the conciliator may be appointed with a mission to organize the partial or total sale of the debtor which would be implemented, as applicable, in the context of subsequent safeguard, judicial reorganization or liquidation proceedings; any offers received in this context by the conciliator may be directly submitted to the court in the context of reorganization or liquidation proceedings after consultation of the public prosecutor.

Any contractual provision that modifies the conditions for the continuation of an ongoing contract by reducing the debtors' rights or increasing its obligations simply by reason of the designation of a mandataire ad hoc or of the commencement of conciliation proceedings or of a request submitted to that effect, and any contractual provision requiring the debtor to bear, by reason only of the appointment of a mandataire ad hoc or of the commencement of conciliation proceedings, more than three-quarters of the fees of the professional advisers retained by the creditors in connection with these proceedings, are deemed null and void.

Court-administered proceedings—Safeguard, Reorganization and Liquidation Proceedings

Safeguard proceedings

A company which experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, *provided* it is not insolvent (see "—*Insolvency test*"). Creditors of the company do not attend the hearing before the court at which the opening of safeguard proceedings is requested. Following the opening of safeguard proceedings, a court-appointed administrator (*administrateur judiciaire*) is usually appointed in accordance with Articles L. 621-4 and L. 622-1 of the French Commercial Code to assist and monitor the debtor in the management of its business during an initial observation period (the period from the date of the court decision commencing the proceedings up to the date on which the court takes a decision on the outcome of the proceedings), which may last up to 18 months, and helps the company elaborate a draft safeguard plan (*projet de plan de sauvegarde*) that it will propose to its creditors. Creditors do not have effective control over the proceedings, which remain in the hands of the debtor assisted by the court-appointed administrator (*administrateur judiciaire*) who will, pursuant to the terms of the opening judgment, exercise a control *a posteriori* over the decisions made by the debtor ("*mission de surveillance*") or assist the debtor to make all or some of the management decisions ("*mission d'assistance*"), all under the supervision of the court.

During the safeguard proceedings, payment by the debtor of any debts incurred prior to the opening of the proceedings is prohibited, subject to very limited exceptions. For example, the court can authorize payments for prior debts in order to discharge a lien on property needed for the continued operation of the debtor's business or to recover goods or rights transferred as collateral in a fiduciary estate (*patrimoine fiduciaire*). In addition, creditors are required to declare to the court-appointed creditors' representative (*mandataire judiciaire*), appointed in accordance with Article L. 621-4 of the French Commercial Code, the debts that arose prior to the opening of the procedure (as well as the post-opening non-privileged debts) and are prohibited from engaging any court proceedings against the debtor for any payment default in relation to such debts and the accrual of interest on loans with a term of less than one year(or on payments deferred for less than one year) is stopped. Debts duly arising after the commencement of the safeguard proceedings and which relate to expenses necessary for the business activities during the observation period or are for the requirements of the proceedings, or are in consideration for services rendered or goods delivered to the debtor during this period, must be paid as and when they fall due and, if such is not the case, they will be given priority over debts incurred prior to the commencement of the safeguard proceedings (with certain limited exceptions, such as the New Money Lien).

The terms under which the liabilities are to be settled, as provided for in the plan (debt remissions and payment schedule) must be submitted to the creditors during a consultation, prior to the approval of the plan by the court. The rules governing consultation are different depending on the size of the business.

"Ordinary" consultation: in the event credit committees have not been established (see below "—*Committee-based consultation*"), the administrator notifies the proposals for the settlement of debts to the court-appointed creditors' representative, who, individually or collectively, obtains the agreement of each creditor who filed a claim, regarding the debt remissions and payment times proposed.

The French Commercial Code does not state whether the proposals for settlement can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at the consultation stage. According to legal commentaries and established practice, in the absence of a specific legislative prohibition, varying treatment of creditors is possible, provided that it is justified by the specific position of the creditors and approved by the court-appointed creditors' representative. In practice, it is also possible, at the consultation stage, to make a proposal for a partial payment of the claim over a shorter time period instead of a full payment of the claim over ten years.

Creditors the payment terms of which are not affected by the plan or who are paid in cash in full as soon as the plan is approved are not consulted.

In the event of a consultation in writing, if a creditor does not respond within 30 days as from receipt of the letter from the creditors' representative (*mandataire judiciaire*), the creditor is deemed to have accepted the proposal. The creditors' representative keeps a list of the responses from the creditors, which is notified to the debtor, the administrator and the controllers.

Within the framework of an ordinary consultation, if the creditors refuse the proposals that were submitted to them, the court that approves the turnaround plan can impose on them a uniform rescheduling of their claims (subject to the specific regime of claims benefiting from the New Money Lien) over a maximum period of ten years (except for claims with maturity dates in excess of the deferral period set by the court, in which case the maturity date shall remain the same), but no waiver of any claim or debt-for-equity swap may be imposed without the relevant creditor's individual acceptance.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment approving the plan (in the third and subsequent years, the amount of each annual installment must be of at least 5% of the total amount of the debt claim) or the year following the initial maturity of the claim if it is later than the date of the first anniversary of the approval of the plan, in which case the amount of the payment is determined in accordance with the specific rules in order to ensure that the full amount of the claim is repaid within the 10 year period.

Committee-based consultation: for debtors the statutory accounts of which are certified by a statutory auditor or prepared by a chartered accountant, and who have more than 150 employees or €20 million of revenue, or with the consent of the court in the case of debtors that do not exceed the aforementioned thresholds, the court-appointed administrator sets up two creditors' committees, on the basis of the claims that arose prior to the initial judgment:

- one for credit institutions (or assimilated institutions and entities having granted credit or advances in favor of the debtor) and their successive assignees having a claim against the debtor (provided such assignees are credit institutions), and
- the other one for suppliers holding claims representing more than 3% of the total claims held by the debtor's suppliers and other suppliers invited to participate in such committee by the court-appointed administrator.

These committees will be consulted on the safeguard plan drafted by the debtor's management during the observation period. In addition, any member of a committee may submit proposals for drawing up a safeguard plan to the debtor and the court-appointed administrator.

If there are any outstanding debt securities in the form of obligations (such as bonds or notes), a general meeting of all holders of such debt securities will be established irrespective of whether or not there are different issuances and of the governing law of those obligations. The Notes constitute obligations for the purposes of safeguard proceedings.

The plan submitted to the committees and the noteholders, if any, must take into account subordination agreements entered into by the creditors before the commencement of the proceedings, may treat creditors differently if it is justified by their differences in situation and may, inter alia, include a rescheduling or cancellation of debts (subject to the specific regime of claims benefiting from the New Money Lien), and/or debt-for-equity swaps (debt-for-equity swaps requiring the relevant shareholder consent).

If the plan provides for a share capital increase, the shareholders may subscribe to such share capital increase by way of a set-off with their claims against the debtor, as reduced as the case may be according to the provisions of the plan.

Creditors which are members of the credit institutions' committee or the suppliers' committee may also prepare an alternative safeguard or reorganization plan that will also be put to the vote of the committees and of the general noteholders meeting, it being specified that approval of these alternative plans is subject to the same two-thirds majority vote in each committee and in the meeting of holders of notes and gives rise to a report by the judicial administrator). Noteholders are not permitted to present their own alternative plan.

The committees must approve or reject the safeguard plan within a minimum of 15 days of its submission. The plan must be approved by a majority vote of each committee, provided that the majority is two-thirds of the outstanding claims of the creditors expressing a vote.

Each creditor member of a creditors committee and each holder of notes must, if applicable, inform the judicial administrator of the existence of any agreement relating to the exercise of its vote, to the full or total payment of its claim by a third party as well as of any subordination agreement. The judicial administrator shall then submit to the creditor/holder of notes a proposal for the computation of its voting rights in the creditors committee/ noteholders' general meeting. In the event of a disagreement, the creditor/holder of the notes or the judicial administrator may request that the matter be decided by the president of the commercial court in summary proceedings. The claims that are secured by a trust (*fiducie*) do not give rise to voting rights.

In addition, creditors for whom the plan does not provide any modification of their repayment schedule or provides for a payment of their claims in cash in full as soon as the plan is adopted or as soon as their claims are admitted do not take part in the vote. Such creditors do not need to be consulted on the plan.

Following the approval of the plan by the two creditors' committees, the plan is submitted for approval to the noteholders' general meeting at the same two-thirds majority vote. Following approval by the creditors' committees and the noteholders' general meeting and determination of a rescheduling of the claim of creditors that are not members of the committees or noteholders as discussed hereafter, the plan has to be approved (*arrêté*) by the court. In considering such approval, the court has to verify that the interests of all creditors are sufficiently protected and that the relevant shareholder consent, if any is required, has been obtained. Once approved by the court, the safeguard plan will be binding on all the members of the committees and the noteholders (including those who abstained or voted against the adoption of the plan) .

Creditors outside the creditors' committees or the noteholders' general meeting are consulted in accordance with the standard consultation process referred to above.

In the event that the debtor's proposed plan is not approved by both committees and the noteholders' general meeting within the first six months of the observation period, either because they do not vote on the plan or because they reject it, this six month period may be extended by the court at the request of the judicial administrator, to the extent it does not exceed the duration of the observation period, in order for the plan to be approved by the committee-based consultation process. Absent such extension, the court can still adopt a safeguard plan in the time remaining until the end of the observation period. In such a case, the rules are the same as the ones applicable to creditors who are not part of the committees and who are not noteholders and, in particular, the court can only impose a uniform rescheduling of the repayment of the debts over a maximum period of ten years (as described above).

If the court empowers the administrator to convene a shareholders' meeting in order to take corporate resolutions with respect to the modification of the debtor's share capital required by a safeguard plan, the court may order that, under certain conditions, the shareholders' decisions be adopted by a majority vote of the shareholders attending or represented, as long as such shareholders own at least half of the shares with voting rights.

If no plan is adopted by the committees, at the request of the debtor, the judicial administrator, the creditors' representative (*mandataire judiciaire*) or the public prosecutor, the court may convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead to the debtor shortly becoming insolvent.

Specific case – Creditors that are public institutions: public creditors (financial administrations, social security and unemployment insurance organisations) may agree to grant debt remissions under conditions that are similar to those that would be granted by a private economic operator placed in the same position, under normal market conditions. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors are consulted under specific conditions, within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax administrations may grant relief from all direct taxes. As regards indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

In the event that safeguard (or judicial reorganization) proceedings are opened against the Issuer, the holders of the Notes will be treated as noteholders of the Issuer and will take part in the general meeting of the noteholders. Therefore, the holders of the Notes would not be a member of the credit institutions' committee but would vote on any proposed draft safeguard plan proposed by the Issuer as members of the general meeting of noteholders.

Holders of the Notes could, as members of the general meeting of the noteholders, veto such plan if they reach a blocking minority (i.e., their claims represent more than one-third of the claims of those creditors casting a vote in the meeting).

Accelerated safeguard and accelerated financial safeguard

A debtor in conciliation proceedings may request commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) or accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*).

The accelerated safeguard proceedings and accelerated financial safeguard proceedings have been designed to "fast-track" difficulties of large companies:

- which publish consolidated accounts in accordance with article L. 233-16 of the French Commercial Code; or
- which publish accounts certified by a statutory auditor or established by a certified public accountant and have (i) more than 20 employees or (ii) a turnover greater than €3 million excluding VAT or (iii) whose total balance sheet exceeds €1.5 million.

The regime applicable to accelerated safeguard or accelerated financial safeguard proceedings corresponds broadly to the regime applicable to standard safeguard proceedings to the extent compatible with the accelerated timing in accelerated safeguard and/or accelerated financial safeguard proceedings, since the total duration of the accelerated safeguard proceedings is three months, while the duration of the accelerated financial safeguard proceedings is one month, unless the court decides to extend it by an additional month.

In particular, the creditors' committees and the noteholders' general meeting are required to vote on the proposed safeguard plan within a minimum period of 15days of its being sent to the creditors in the case of accelerated safeguard proceedings or within 8 days thereof in accelerated financial safeguard proceedings.

The plan adopted in the context of accelerated safeguard proceedings or accelerated financial safeguard proceedings is adopted following the same majority rules as in standard safeguard proceedings and may notably provide for rescheduling, debt cancellation and conversion of debt into equity capital in the debtor (debt-for-equity swaps requiring the relevant shareholder consent).

The accelerated financial safeguard proceedings apply only to "financial creditors" (i.e. creditors that belong to the credit institutions committee and noteholders), the payment of whose debt is suspended until adoption of a plan through the accelerated financial safeguard proceedings. As to financial creditors, the debtor will be prohibited from paying any amounts (including interests) in connection with any such payment that falls due during the observation period. Such amounts may be paid only after the judgment of the court approving the safeguard plan and in accordance with its terms. Creditors other than financial creditors (such as public creditors, the tax or social security administration and suppliers) are not directly impacted by accelerated financial safeguard proceedings. Their debts will continue to be due and payable in the ordinary course of business according to their contractual or legal terms.

To be eligible to accelerated safeguard proceedings or accelerated financial safeguard proceedings, the debtor must fulfill three conditions:

- the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of accelerated safeguard proceedings or accelerated financial safeguard proceedings;
- as is the case for regular safeguard proceedings, the debtor must face difficulties which it is not in a position to overcome; and
- the debtor must have prepared a draft safeguard plan ensuring the continuation of his business as a going concern supported by enough of its creditors subject to the proceedings and members of, as applicable, its credit institutions or major suppliers committee or its noteholders' general meeting, to render likely its adoption by a two-thirds majority of the relevant committee and noteholder's general meeting within a maximum of three months following the commencement of accelerated safeguard proceedings and of one month following the commencement of accelerated financial safeguard proceedings (that can be extended by an additional month).

If a plan is not adopted by the creditors and approved by the court within the applicable deadlines, the court shall terminate the proceedings. The court cannot reschedule amounts owed to the creditors outside of the committee process.

The list of claims of creditors party to the conciliation proceeding shall be drawn up by the debtor and certified by the statutory auditor and shall be deemed to constitute the filing of such claims for the purpose of the accelerated safeguard proceedings or, as applicable, accelerated financial safeguard proceedings unless the creditors otherwise elect to make such a filing.

Judicial reorganization or liquidation proceedings

Judicial reorganization (*redressement judiciaire*) or liquidation proceedings (*liquidation judiciaire*) may be initiated against or by a company only if it is insolvent (see "—*Insolvency test*") and, with respect to liquidation proceedings only, if the company's recovery is manifestly impossible.

The company is required to petition for insolvency proceedings (or for conciliation proceedings) within 45 days of becoming insolvent if it has not otherwise requested the commencement of conciliation proceedings (as discussed above). If it does not, *de jure* managers (including directors) and, as the case may be, *de facto* managers are exposed to incurring civil liability. Protective measures may also be taken in relation to assets owned by *de jure* or *de facto* managers of the insolvent company pursuant to Article L. 631-10-1 of the French Commercial Code, on the basis of an action grounded on mismanagement having caused the *cessation des paiements*.

Where the debtor requested the commencement of judicial reorganization proceedings and the court considers that judicial liquidation proceedings would be more appropriate, after having heard the debtor, the court may order the commencement of the proceedings which it finds most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the court considers that judicial reorganization proceedings would be more appropriate. In addition, at any time during the safeguard proceedings observation period, upon request of the debtor, the administrator, the creditors' representative (*mandataire judiciaire*), the public prosecutor or (at its own initiative) the court may convert safeguard proceedings into reorganization proceedings or liquidation proceedings. In all cases, the court's decision is only taken after having heard the debtor, the judicial administrator, the creditors' representative, the public prosecutor and the workers' representatives (if any).

Under the judicial reorganization, the administrator appointed by the court will assist the debtor to make all or some of the management decisions ("*mission d'assistance*") or may be empowered by the court to take over the management and control of the company ("*mission d'administration*"). As a result of the commencement of liquidation proceedings, the managers of the company are no longer in charge of the management.

The court order commencing the proceedings may order either the liquidation or the reorganization of the company. In the event of reorganization, an administrator (*administrateur judiciaire*) is usually appointed by the court to investigate the business of the company during an observation period, which may last up to 18 months, and makes proposals either for the reorganization of the company (by helping the debtor to elaborate a reorganization plan, which is similar to a safeguard plan), or the sale of the business or the liquidation of the company. Committees of creditors and meeting of the noteholders may be created under the same conditions as in safeguard proceedings. At any time during this observation period, the court can order the liquidation of the company. Before the end of the observation period, the outcome of the proceedings is decided by the court.

If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). No maximum time period is provided by law to limit the duration of the judicial liquidation process. The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order for payment).

The liquidation of the assets of the debtor may be completed through two scenarios:

- an asset sale plan (in which case the court will usually appoint a judicial administrator to manage the debtor and organize such sale of the business); or
- a sale of the individual assets of the debtor, in which case the liquidator may decide to:
    - launch auction sales;
    - sell on an amicable basis each asset for which unsolicited purchase offers have been received, (the formal authorization of the bankruptcy judge being necessary to conclude the sale agreement with the bidder); or
    - request, under the supervision of the bankruptcy judge, from all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*).

When either no due liabilities remain, the liquidator has sufficient funds to pay off the creditors (*extinction du passif*), or continuation of the liquidation process becomes impossible due to insufficiency of assets (*insuffisance d'actif*), the court terminates the proceedings.

In reorganization proceedings, in case a shareholders' meeting needs to vote to bring the shareholders' equity to a level equal to at least one half of the share capital as required by article L.626-3 of the French Commercial Code, the administrator may appoint a trustee (*mandataire en justice*) to convene a shareholders' meeting and to vote on behalf of the shareholders which refuse to vote in favour of such a resolution if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the recovery plan. If the proposed reorganization plans are manifestly not likely to ensure that the debtor will recover or if no reorganization plan is proposed, the court upon the request of the administrator, can order the total or partial transfer of the business. The court may terminate the proceedings when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets. The court may also appoint a *mandataire* in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

The "suspect period" (période suspecte) in judicial reorganization and liquidation proceedings

The date of insolvency (*cessation des paiements*) is deemed to be the date of the court order commencing proceedings, unless the court sets an earlier date, which may be no earlier than 18 months before the date of such court order. Also, except in the case of fraud, the date of insolvency may not be set at a date earlier than the date of the final court decision that approved an agreement (homologation) in the context of conciliation proceedings (see above) . The date of insolvency is important because it marks the beginning of the "*période suspecte*" (otherwise referred to as "suspect period"), being the period between the date of insolvency and the court decision commencing the proceedings. Certain transactions entered into during the suspect period are void as of right or voidable by the court. Pursuant to Article L. 632-1 of the French Commercial Code, automatically void transactions include transactions or payments entered into during the suspect period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no or nominal consideration, contracts under which the reciprocal obligations of the debtor significantly exceed those of the other party, payments of debts not due at the time of payment, payments made in a manner which is not commonly used in the ordinary course of business and security granted for debts (including a security granted to secure a guarantee obligation) previously incurred and provisional measures (*mesures conservatoires*) (unless the attachment or seizure predates the date of insolvency), operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie*) (unless such transfer is made as security for debt incurred simultaneously), any amendment to a trust arrangement (*fiducie*) that affects assets or rights already transferred in the trust as a guarantee of debt incurred prior to such amendment, and a declaration of non-seizability (*déclaration d'insaisissabilité*).

Transactions voidable by the court include payments made on accrued debts, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the suspect period, in each case if the court determines that the creditor knew of the insolvency of the debtor (see "—*Insolvency test*"). Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the suspect period.

Contractual provisions pursuant to which the commencement of the safeguard or insolvency proceedings constitutes an event of default are not enforceable against the debtor. In accordance with a decision of the French Supreme Court dated January 14, 2014, n°12-22.909, are "contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of reorganization proceedings" (case law which is likely to be extended to safeguard, accelerated safeguard or accelerated financial safeguard proceedings). However, the court-appointed officer can unilaterally decide to terminate ongoing contracts (*contrats en cours*) which it believes the debtor will not be able to continue to perform.

Conversely, the court-appointed officer can, require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that the debtor fully performs its post-petition contractual obligations (and provided that, in the case of reorganization proceedings, absent consent to other terms of payment, the debtor pays cash on delivery). The commencement of liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the court orders the continued operation of the business with a view to the adoption of a "plan for the sale of the business" (*plan de cession*) (which it may do for a period of three months, renewable once), in which case the acceleration of the obligations will only occur on the date of the court decision adopting the "plan for the sale of the business" or on the date on which the continued operation of the business ends.

As from the court decision commencing the proceedings:

- accrual of interest is suspended, except in respect of loans for a term of at least one year, or of contracts providing for a payment which is deferred by at least one year, with respect to which, however, accrued interest can no longer be compounded;
- the debtor is prohibited from paying debts incurred prior to the commencement of the proceedings, subject to specified exceptions (which essentially cover the set-off of related (*connexes*) debts and payments authorized by the insolvency judge appointed by the court to recover assets for which recovery is justified by the continued operation of the business);
- the debtor is prohibited from paying debts having arisen after commencement of the proceedings unless they are incurred for the purposes of the proceedings or of the observation period or in consideration of services rendered/ goods provided to the debtor;
- creditors may not pursue any individual legal action against the debtor (or a guarantor of the debtor where such guarantor is a natural person) with respect to any claim arising prior to the court decision commencing the proceedings, if the objective of such legal action is:
    - to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a court determine the amount due in order to file a proof of claim, as described below);
    - to terminate a contract for non-payment of amounts owed by the creditor; or
    - to enforce the creditor's rights against any assets of the debtor except where such asset- whether tangible or intangible, movable or immovable—is located in another Member State within the European Union, in which case the rights in rem of creditors thereon would not be affected by the insolvency proceedings, in accordance with the terms of Article 5 Council Regulation (EC) No. 1346/2000; or
- immediate cash payment for services rendered pursuant to an ongoing contract (*contrats en cours*), absent consent to other terms of payment, will be required only in the context of reorganization or liquidation proceedings.

In accelerated safeguard and accelerated financial safeguard proceedings, the above rules only apply to the creditors that are subject to the accelerated safeguard proceedings or the accelerated financial safeguard proceedings respectively (see above).

As a general rule, creditors domiciled in France whose debts arose prior to the commencement of proceedings must file a claim with the court-appointed creditors' representative within two months of the publication of the court decision in an official gazette (*Bulletin Officiel des annonces civiles et commerciales*); this period is extended to four months for creditors domiciled outside France. Where the debtor has informed the creditors' representative of the existence of a claim and no proof of claim has been filed yet, the claim as reported by the debtor is deemed to constitute a filing of the claim with the creditors' representative on behalf of the debtor. Creditors are allowed to ratify a proof of claim made on their behalf until the insolvency judge rules on the admissibility of the claim. Creditors who have not submitted their claims during the relevant period, whose claims are not deemed filed with the creditors' representative are, except with respect to limited exceptions, barred from receiving distributions made in connection with the proceedings. Employees are not subject to such limitations and are preferential creditors under French law.

In accelerated financial safeguard proceedings, however:

- debts owed to creditors other than banks, financial institutions or noteholders should be paid in the ordinary course; and
- the debtor draws a list of the claims of its creditors having participated in the conciliation proceedings, which is certified by its statutory auditors (failing which, its accountant). Although such creditors may file proofs of claim as part of the regular process, they may also avail themselves of this simplified alternative and merely adjust the amounts of their claims as set forth in the list prepared by the debtor (within the above two or four months' time limit). Those financial creditors who did not take part in the conciliation proceedings (but who would belong to the financial institutions' committee or the noteholders' general meeting) would have to file their proofs of claim within the aforementioned deadlines.

If the court adopts a safeguard plan, accelerated safeguard plan, accelerated financial safeguard plan or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan. The court can also set a time period during which the assets that it deems to be essential to the continued business of the debtor may not be sold without its consent.

If the court adopts a plan for the sale of the business (*plan de cession*) of the debtor in judicial reorganization or judicial liquidation proceedings, the proceeds of the sale will be allocated towards the repayment of its creditors according to the ranking of the claims. If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator (usually the former creditor's representative) in charge of managing the debtor, selling the assets of the debtor and settling the relevant debts in accordance with their ranking. However, in practice, where the sale of the business is considered, the court will usually appoint a judicial administrator to manage the debtor during the temporary continuation of the business operations (see above) and organize the sale of the business process.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees, post-petition legal costs (essentially, fees of the officials appointed by the court), creditors who, as part of the approved conciliation agreement, have provided new money or goods or services, post-petition creditors, certain pre-petition secured creditors in the event of liquidation proceedings and the French State (taxes and social charges).

As soon as insolvency proceedings are commenced, the immediate payment of any unpaid amount of share capital of the debtor will be required.

The creditors' representative (*mandataire judiciaire*) may demand that a shareholder pay-up its portion of the unpaid share capital.

Creditors' liability

Pursuant to Article L. 650-1 of the French Commercial Code as interpreted by case law, where safeguard, judicial reorganization or judicial liquidation proceedings have been commenced, creditors may be held liable for the losses suffered as a result of facilities granted to the debtor only if the granting of such facilities was wrongful and, in the case of fraud, interference with the management of the debtor or if the security interests or guarantees taken to support the facilities are disproportionate to such facilities. In addition, any security interests or guarantees taken to support facilities in respect of which a creditor is found liable in such circumstances can be cancelled or reduced by the court.

Limitation on guarantees

The Issuer and several Guarantors of the Notes are organized under the laws of France. For a French company to give a Note Guarantee, certain procedural and substantive requirements must be satisfied. In particular, under French company law a French court may, under certain circumstances, set aside a Note Guarantee granted by a French company for the benefit of another company if the guarantor derives no corporate benefit of its own from such transaction or if the liability assumed by the guarantor exceeds the guarantor's financial resources (see "*—Risk Factors—Risks Related to the Notes—The notes and the note guarantees may be voidable, subordinated or limited in scope under insolvency, fraudulent transfer, corporate or other laws*") . The application of these provisions of French law depends on the interpretation of the facts by a French court. Although the Guarantors organized in France have determined that they are receiving a sufficient corporate benefit for executing a Note Guarantee, there can be no assurance that a French court would agree with this conclusion. A French court may also refuse to enforce a Note Guarantee if it is determined that the company granting such Guarantee was insolvent at the time the Note Guarantee was granted. In addition, a French court may grant a debtor or guarantor a period of time to perform its obligation. Moreover, liabilities and obligations of French guarantors may be limited by certain exceptions, including to the extent any obligations which, if incurred, would constitute prohibited financial assistance within the meaning of Article L. 225-216 of the French Commercial Code or misuse of the corporate assets within the meaning of Articles L. 241- 3 or L. 242-6 of the French Commercial Code (articles are applicable to *societés par actions simplifiées* pursuant to Article L. 244-1 of the French Commercial Code).

Fraudulent conveyance in France

French law contains specific provisions dealing with fraudulent conveyance both in and outside insolvency proceedings, the "*action paulienne*" provisions, which offer creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which such person guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of such person's or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant person by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*), insolvency proceedings of the relevant person or by any of the creditors of the relevant person outside insolvency proceedings or any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings, and may be declared unenforceable against third parties if: (i) the person performed such acts without an obligation to do so; (ii) the creditor concerned or, in the case of the person's insolvency proceedings, any creditor, was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the act was performed both the person and the counterparty to the transaction knew or should have known that one or more of such person's creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*à titre gratuit*), in which case such knowledge of the counterparty is not necessary for a successful challenge on grounds of fraudulent conveyance. If a court found that the issuance of the Notes or the granting of a guarantee involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes or the granting of such guarantee could be declared unenforceable against third parties or declared unenforceable against the creditor who lodged the claim in relation to the relevant act. As a result of such successful challenges, Holders of the Notes may not enjoy the benefit of the Notes or the Guarantees and the value of any consideration that Holders of the Notes received with respect to the Notes or the Guarantees could also be subject to recovery from the Holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, Holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer or the Guarantors as a result of the fraudulent conveyance.

United States

Under federal bankruptcy law or comparable provisions of state fraudulent transfer laws, the Note Guarantees by Parent and the Domestic Subsidiaries could be voided, and/or claims in respect of such liens or obligations could be subordinated to all of their other debts and other liabilities, if, among other things, at the time Parent and/or the Domestic Subsidiaries issued the related Note Guarantees, Parent or the applicable Guarantor intended to hinder, delay or defraud any present or future creditor; or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness and either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which Parent's or such Guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding with respect to the foregoing. Generally, however, Parent or a Domestic Subsidiary would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liabilities on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

By its terms, the Note Guarantee of each Domestic Subsidiary will limit the liability of each such Guarantor to the maximum amount it can pay without the Note Guarantee being deemed a fraudulent transfer, although this provision may not be effective to protect such Note Guarantees from being voided as a fraudulent transfer. Parent believes that immediately after the issuance of the Notes by the Issuer and the issuance of the Note Guarantees by the Guarantors, Parent and each of the Domestic Subsidiaries will be solvent, will have sufficient capital to carry on its respective business and will be able to pay its respective debts as they mature. However, a court may not apply these standards in making its determinations and a court may not reach the same conclusions with regard to these issues. Whether a transferor is rendered insolvent by a transfer may depend on the actual liabilities of the transferor, and not what the transferor knows about such liabilities at the time of the transfer, and therefore, liabilities that are unknown, or that are known to exist but whose magnitude is not fully appreciated at the time of the transfer, may be taken into account in the context of a future determination of insolvency, which could make it very difficult to know whether a transferor is solvent at the time of transfer, and would increase the risk that a transfer may in the future be found to be a fraudulent conveyance.

If a bankruptcy proceeding were to be commenced under the federal bankruptcy laws by or against Parent or any other Domestic Subsidiary, it is likely that delays will occur in any payment upon acceleration of the Notes and in enforcing remedies under the Indenture, including with respect to the liens securing the Notes and the Note Guarantees, because of specific provisions of such laws or by a court applying general principles of equity. Provisions under federal bankruptcy law or general principles of equity that could result in the impairment of your rights include, but are not limited to:

- imposition of the automatic stay;
- avoidance of preferential transfers by a trustee or debtor-in-possession;
- substantive consolidation;
- limitations or delays on collectability of unmatured interest or attorney fees or other "adequate protection";
- fraudulent conveyance; and
- forced restructuring of the Notes, including reduction of principal amounts and interest rates and extension of maturity dates, over the Holders' objections.

United Kingdom

Under English insolvency law, the liquidator or administrator of any guarantor organized in England may apply to the court to set aside certain types of preliquidation transactions and to rescind a transaction entered into by such company at an undervalue (which is similar to less than fair value), if such company was insolvent at the time of, or in consequence of, the transaction and enters into a liquidation or administration within two years of the completion of the transaction. A transaction might be so challenged if it involved a gift by a company or such company received consideration of significantly less value than the consideration given by such company.

In addition, under English insolvency law, the liabilities of Guarantors organized in England in respect of the Note Guarantees will be paid in the event of an insolvency after certain debts which are entitled to priority under English law, such as amounts owed in respect of occupational pension schemes and amounts owed to employees.

Germany and Spain

Under German and Spanish insolvency law, the insolvency administrator may under certain circumstances rescind certain pre-insolvency transactions entered into by such company. Details are set forth in sections 129 to 146 German Insolvency Act and Article 71 of the Spanish Insolvency Law. The insolvency administrator may in particular seek the rescission of any legal act that directly discriminates against the creditors of such company or is detrimental to the insolvency estate if such legal act was entered into within three months prior to the application to open the insolvency proceedings (in the case of Germany) or two years prior to the opening of the insolvency proceedings (in the case of Spain) and certain other criteria are met (Section 132 German Insolvency Act and Article 71 of the Spanish Insolvency Law). This may affect the enforcement of the Note Guarantees to be given by Crown's subsidiaries organized under the laws of Germany and Spain.

Other

The laws of each of the jurisdictions in which the non-U.S. Subsidiary Guarantors are organized limit the ability of these Subsidiaries to Guarantee debt of third parties, including their parent company or affiliates. These limitations arise under various provisions or principles of corporate law which include provisions requiring the entry into the Guarantee to be in the corporate interest of the Subsidiary Guarantor or a Subsidiary Guarantor to receive adequate corporate benefit from the financing, rules governing preservation of share capital, thin capitalization, financial assistance and fraudulent transfer principles. If these limitations are not observed, the Guarantees of these Guarantors would be subject to legal challenge. In addition, in many of these jurisdictions, including Canada, Luxembourg, Mexico the Netherlands and Switzerland, the Note Guarantees will contain language limiting the amount of debt Guaranteed or otherwise qualifying the Note Guarantee in order to address applicable local law considerations (*e.g.*, preservation of share capital, capitalization, prohibited financial assistance and other legal restrictions applicable to the Guarantors, its shareholders and directors). Accordingly, if you were to enforce the Note Guarantees in these jurisdictions, your claims may be limited. Furthermore, although the Issuer and the Guarantors believe that the Note Guarantees are generally enforceable (subject to local law restrictions), a third party creditor may challenge these Note Guarantees and prevail in court. Likewise, the Note Guarantees may, under certain circumstances, be nullified or rescinded by the insolvency court at the request of its trustee in bankruptcy or insolvency administrator, as applicable, or any of the subsidiary guarantor's creditors.

Any enforcement of the Note Guarantees after an insolvency event of any of the Foreign Subsidiary Guarantors will be subject to the insolvency and administrative laws of such Subsidiary Guarantor's jurisdiction of organization. The insolvency, administrative and other laws of each of these jurisdictions may be materially different from, or in conflict with, each other and those of France and the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Note Guarantees in these jurisdictions or limit any amounts that you may receive.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to a Note, or a Guarantor under or with respect to a Note Guarantee, will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) (hereinafter, "*Taxes*"), unless the Issuer or such Guarantor is required to withhold or deduct any such Taxes by law, including by the official interpretation or administration thereof by a relevant taxing authority. If any Taxes imposed or levied by or on behalf of the government of France or any other jurisdiction in which the Issuer or any Guarantor (or any successor Person) is organized or is a resident or does business for tax purposes or within or through which payment is made or any political subdivision or taxing authority or agency thereof or therein (any of the aforementioned being a "*Taxing Jurisdiction*") will at any time be required to be withheld or deducted from any payment made under or with respect to a Note or a Note Guarantee, or if a holder actually pays any such Taxes where the Issuer or Guarantor or applicable withholding agent has failed to withhold or deduct Taxes required to be withheld or deducted from any payment made under or with respect to a Note or a Note Guarantee, the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts ("*Additional Amounts*") as may be necessary so that the net amount received by the holder of such Note (including Additional Amounts) after such withholding or deduction by the applicable withholding agent of such Taxes (including any such Taxes on such Additional Amounts) will not be less than the amount such holder would have received if such Taxes had not been required to be withheld or deducted; *provided*, *however*, that notwithstanding the foregoing, Additional Amounts will not be paid:

(1) to the extent the Taxes giving rise to such Additional Amounts would not have been imposed, deducted or withheld but for the existence of any present or former connection between the Holder or beneficial owner of a Note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the Holder or beneficial owner of such Note, if the Holder or beneficial owner is an estate, nominee, trust, partnership or corporation) and the relevant Taxing Jurisdiction (other than the receipt of such payment or the acquisition, ownership, holding or disposition of, or the execution, delivery, registration or enforcement of, such Note or Note Guarantee);

(2) subject to the last paragraph of this section, with respect to any estate, inheritance, gift, sales, transfer or similar tax;

(3) subject to the last paragraph of this section, with respect to any Taxes payable otherwise than by deduction or withholding from payments under or with respect to such Note;

(4) to the extent such Taxes would not have been imposed, deducted or withheld if the Holder or beneficial owner of the Note or beneficial owner of any payment on such Note had (i) made a declaration of non-residence, or any other claim or filing for exemption, to which it is entitled or (ii) complied with (to the extent legally eligible to do so) any certification, identification, information, documentation or other reporting requirement concerning the nationality, residence, identity or connection with the relevant Taxing Jurisdiction of such Holder or beneficial owner of such Note or any payment on such Note (*provided* that (x) such declaration of nonresidence or other claim or filing for exemption or such compliance is required by the applicable law of the Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of the imposition, deduction or withholding of, such Taxes and (y) at least 30 days prior to the first payment date with respect to which such declaration of nonresidence or other claim or filing for exemption or such compliance is required under the applicable law of the Taxing Jurisdiction, the relevant Holder at that time has been notified in writing by the Issuer, any Guarantor or any other person through whom payment may be made that a declaration of non-residence or other claim or filing for exemption or such compliance is required to be made);

(5) to the extent such Taxes would not have been imposed, deducted or withheld if the beneficiary of the payment had presented the Note for payment within 30 days after the date on which such payment or such Note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30-day period);

(6) with respect to any payment under or with respect to a Note to any Holder that is a fiduciary or partnership or any person other than the sole beneficial owner of such payment or Note, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment or Note would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note; and

(7) any combination of items (1) through (6) above.

The foregoing provisions shall survive any termination or discharge of the Indenture and shall apply *mutatis mutandis* to any Taxing Jurisdiction with respect to any successor Person to the Issuer or a Guarantor.

The Issuer or the applicable Guarantor, if it is the applicable withholding agent, will make any applicable withholding or deduction required by law and remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Issuer or the applicable Guarantor will furnish to the Trustee, within 30 days after the date the payment of any Taxes deducted or withheld is due pursuant to applicable law, certified copies of tax receipts or, if such tax receipts are not reasonably available to the Issuer or such Guarantor, such other documentation that provides reasonable evidence of such payment by the Issuer or such Guarantor. Copies of such receipts or other documentation will be made available to the Holders or the Paying Agent, as applicable, upon request.

At least 30 days prior to each date on which any payment under or with respect to any Notes is due and payable, if the Issuer or any Guarantor will be obligated to pay Additional Amounts with respect to such payment, the Issuer or such Guarantor will deliver to the Trustee and the Paying Agent an officers' certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable such Trustee and Paying Agents to pay such Additional Amounts to Holders of such Notes on the payment date. Notwithstanding the foregoing, if the obligation to pay Additional Amounts arises after the 30th day prior to any such date, the Issuer or the applicable Guarantor will deliver to the Trustee and Paying Agent an officers' certificate as described in the preceding sentence and will pay such Additional Amounts promptly after such obligation arises. The Trustee and the Paying Agent shall be entitled but shall not be obligated to rely on each officers' certificate until receipt of a further officers' certificate addressing such matters.

Whenever in the Indenture or in this "Description of the Notes" there is mentioned, in any context, the payment of principal, premium, if any, interest or of any other amount payable under or with respect to any Note, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

In addition to the foregoing, the Issuer and the Guarantors will pay any present or future stamp, court or documentary Taxes or any other excise, property or similar Taxes that arise in any Taxing Jurisdiction from the execution, issue, delivery, enforcement or registration of the Notes, the Indenture, any Guarantee or any other document or instrument in relation thereto, and the Issuer and the Guarantors will indemnify the Holders of the Notes for any such Taxes paid by such Holders.

Optional Redemption

Prior to November 15, 2024, the Issuer may redeem the Notes, at its option, in whole at any time or in part from time to time at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the applicable redemption date, plus the Make-Whole Premium (a "*Make-Whole Redemption*"). The Indenture will provide that with respect to any such redemption the Issuer will notify the Trustee of the Make-Whole Premium with respect to the Notes promptly after the calculation and the Trustee will not be responsible for verifying such calculation.

At any time on or after November 15, 2024, the Issuer may redeem the Notes, at its option, in whole at any time or in part from time to time at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date.

In addition, the Issuer may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

Redemption of Notes for Changes in Withholding Taxes

The Issuer may, at its option, redeem all, but not less than all, of the then outstanding Notes at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest thereon to the redemption date. This redemption applies only if as a result of any amendment to or change in the laws or treaties (including any rulings or regulations promulgated thereunder) of any Taxing Jurisdiction, or any amendment to or change in any official position of a taxing authority in any Taxing Jurisdiction concerning the interpretation, administration or application of such laws, treaties, rulings or regulations (including by virtue of a holding by a court of competent jurisdiction), which amendment or change in each case is announced and effective on or after the Issue Date (or, (i) in the case of Additional Amounts payable by a successor Person to the Issuer, the date on which such successor Person became such pursuant to applicable provisions of the Indenture or (ii) in the case Additional Amounts caused by a tax imposed by a jurisdiction that became a Taxing Jurisdiction after the Issue Date, the date on which such jurisdiction became a Taxing Jurisdiction), the Issuer has become or will become obligated to pay material Additional Amounts (as described above under "— Additional Amounts") on the next date on which any amount would be payable with respect to such

Notes and the Issuer reasonably determines in good faith that such obligation cannot be avoided (including, without limitation, by changing the jurisdiction from which or through which payment is made) by the use of reasonable measures available to the Issuer.

Notice of such redemption may not be given earlier than 90 days prior to the earliest date on which the Issuer of such Notes would be obligated to pay such Additional Amounts were a payment in respect of such Notes then due nor later than 180 days after such amendment or change referred to in the preceding paragraph. At the time such notice of redemption is given, such obligation to pay such Additional Amounts must remain in effect. Immediately prior to the mailing of any notice of redemption described above, the Issuer shall deliver to the Trustee (i) a certificate stating that the Issuer is entitled to elect to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to elect to redeem have occurred and (ii) an opinion of independent legal counsel qualified under the laws of the relevant jurisdiction to the effect that the Issuer or such successor Person, as the case may be, has or will become obligated to pay such Additional Amounts as a result of such amendment or change.

Selection and Notice Regarding Notes

If less than all of the Notes are to be redeemed at any time, selection of such Notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the Notes to be redeemed are listed or, if such Notes are not so listed, on a *pro rata* basis (or if the Notes are held through DTC and if the procedures of DTC at such time do not permit *pro rata* redemptions, then by lot or by such other method consistent with the procedures of DTC that the Trustee in its sole discretion deems fair and reasonable); *provided* that no Notes with a principal amount of €100,000 or less shall be redeemed in part. Notice of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address. For Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing. So long as any Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market, any such notice to the Holders of the relevant Notes shall also be published in a newspaper having a general circulation in Luxembourg or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of Notes outstanding. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on such Notes or portions thereof called for redemption. Redemption amounts shall only be paid upon presentation and surrender of any such Notes to be redeemed.

Any redemption and notice thereof pursuant to the Indenture may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Mandatory Redemption

Except as set forth below under "—Repurchase at the Option of Holders," the Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders

Change of Control Repurchase Events

Upon the occurrence of a Change of Control Repurchase Event, each Holder of Notes will have the right to require the Issuer to repurchase all or any part (equal to €100,000 or an integral multiple of €1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the "*Change of Control Offer*") at an offer price in cash equal to 101% of their aggregate principal amount, plus accrued and unpaid interest, if any, thereon to the purchase date (the "*Change of Control Payment*"). Within 30 days following any Change of Control Repurchase Event or, at the Issuer's option, prior to the consummation of such Change of Control Repurchase Event but after the public announcement thereof, the Issuer will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control Repurchase Event and offering to repurchase Notes on the purchase date specified in such notice (which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as required by law) (the "*Change of Control Payment Date*") pursuant to the procedures required by the Indenture and described in such notice. Such obligation will not continue after a discharge of the Issuer or defeasance from its obligations with respect to the Notes. See "—Legal Defeasance and Covenant Defeasance."

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions thereof (in minimum amounts of €100,000 or an integral multiple of €1,000 in excess thereof) properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof properly tendered; and

(3) deliver or cause to be delivered to the Trustee all Notes so accepted together with an officers' certificate stating the aggregate principal amount of Notes (or portions thereof) being purchased by the Issuer.

The Paying Agent will promptly remit to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and deliver (or cause to be transferred by book entry) to each Holder of Notes a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of €100,000 or an integral multiple of €1,000 in excess thereof. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Except as described above with respect to a Change of Control Repurchase Event, the Indenture will not contain provisions that permit the Holders of the Notes to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction with respect to Parent or the Issuer.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture with respect to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer, or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption "—Optional Redemption," unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control Repurchase Event, conditioned upon the consummation of such Change of Control Repurchase Event, if a definitive agreement is in place for the Change of Control Repurchase Event at the time the Change of Control

Offer is made and such Change of Control Offer is otherwise made in compliance with the provisions of this covenant.

The Existing Credit Facility and other existing Indebtedness of Parent and its Subsidiaries contain, and their future Indebtedness may contain, prohibitions on the occurrence of certain events that would constitute a Change of Control Repurchase Event or require the repayment or repurchase of such Indebtedness upon a Change of Control Repurchase Event. Moreover, the exercise by the Holders of their right to require the Issuer to repurchase the Notes could cause a default under the Existing Credit Facility and/or such Indebtedness, even if the Change of Control Repurchase Event itself does not. Finally, the Issuer's ability to pay cash to the Holders of Notes following the occurrence of a Change of Control Repurchase Event may be limited by its then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases and there can be no assurance that the Issuer would be able to obtain financing to make such repurchases. The Issuer's failure to purchase the Notes in connection with a Change of Control Repurchase Event would result in a Default under the Indenture which could, in turn, constitute a default under such other Indebtedness.

The existence of a Holder's right to require the Issuer to make a Change of Control Offer upon a Change of Control Repurchase Event may deter a third party from acquiring Parent or the Issuer in a transaction that constitutes a Change of Control Repurchase Event. The definition of "Change of Control" includes a phrase relating to the transfer of "all or substantially all" of the assets of Parent and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Issuer to repurchase its Notes as a result of a transfer of less than all of the assets of Parent and its Subsidiaries taken as a whole to another Person may be uncertain.

If and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market, the Issuer will publish notices relating to the Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxembourger Wort*) or, to the extent and in the manner permitted by such rules, post such notices on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture:

Limitation on Liens

The Indenture will provide that Parent will not, nor will it permit any of its Restricted Subsidiaries to, create, incur or assume any Lien (other than Permitted Liens) upon any Principal Property or upon the Capital Stock or Indebtedness of any of its Principal Property Subsidiaries, in each case to secure Indebtedness of Parent, any Subsidiary of Parent or any other Person, without securing the Notes (together with, at the option of Parent, any other Indebtedness of Parent or any Subsidiary of Parent ranking equally in right of payment with the Notes) equally and ratably with or, at the option of Parent, prior to, such other Indebtedness for so long as such other Indebtedness is so secured. Any Lien that is granted to secure the Notes under this covenant shall be automatically released and discharged at the same time as the release of the Lien that gave rise to the obligation to secure the Notes under this covenant.

"*Permitted Liens*" means

(1) Liens securing Indebtedness on any Principal Property existing at the time of its acquisition and Liens created contemporaneously with or within 360 days after (or created pursuant to firm commitment financing arrangements obtained within that period) the later of (a) the acquisition or completion of construction or completion of substantial reconstruction,

renovation, remodeling, expansion or improvement (each, a “substantial improvement”) of such Principal Property or (b) the placing in operation of such Principal Property after the acquisition or completion of any such construction or substantial improvement;

(2) Liens on property or assets or shares of Capital Stock or Indebtedness of a Person existing at the time it is merged, combined or amalgamated with or into or consolidated with, or its assets or Capital Stock are acquired by, Parent or any of its Subsidiaries or it otherwise becomes a Subsidiary of Parent, *provided*, *however*, that in each case (a) the Indebtedness secured by such Lien was not incurred in contemplation of such merger, combination, amalgamation, consolidation, acquisition or transaction in which Person becomes a Subsidiary of Parent and (b) such Lien extends only to the Capital Stock and assets of such Person (and Subsidiaries of such Person) and/or to property other than Principal Property or the Capital Stock or Indebtedness of any Subsidiary of Parent;

(3) Liens securing Indebtedness in favor of Parent and/or one or more of its Subsidiaries;

(4) Liens in favor of or required by a governmental unit in any relevant jurisdiction, including any departments or instrumentality thereof, to secure payments under any contract or statute, or to secure debts incurred in financing the acquisition or construction of or improvements or alterations to property subject thereto;

(5) Liens in favor of any customer arising in respect of and not exceeding the amount of performance deposits and partial, progress, advance or other payments by that customer for goods produced or services rendered to that customer in the ordinary course of business and consignment arrangements (whether as consignor or as consignee) or similar arrangements for the sale or purchase of goods in the ordinary course of business;

(6) Liens existing on the date of the Indenture;

(7) Liens to secure any extension, renewal, refinancing, refunding or replacement (or successive extensions, renewals, refinancings, refundings or replacements), in whole or in part, of any Indebtedness secured by Liens referred to in clauses (1) through (6) above or clauses (10) or (12) below or Liens created in connection with any amendment, consent or waiver relating to such Indebtedness, so long as (a) such Lien is limited to (i) all or part of substantially the same property which secured the Lien extended, renewed, refinanced, refunded or replaced and/or (ii) property other than Principal Property or the Capital Stock or Indebtedness of any Principal Property Subsidiary of Parent and (b) the amount of Indebtedness secured is not increased (other than by the amount equal to any costs, expenses, premiums, fees or prepayment penalties incurred in connection with any extension, renewal, refinancing, refunding or replacement);

(8) Liens in respect of cash in connection with the operation of cash management programs and Liens associated with the discounting or sale of letters of credit and customary rights of set off, banker’s Lien, revocation, refund or chargeback or similar rights under deposit disbursement, concentration account agreements or under the Uniform Commercial Code or arising by operation of law;

(9) Liens resulting from the deposit of funds or evidences of Indebtedness in trust for the purpose of defeasing Indebtedness of Parent or any of its Restricted Subsidiaries, and legal or equitable encumbrances deemed to exist by reason of negative pledges;

(10) Liens securing Indebtedness in an aggregate principal amount not to exceed, as of the date of such Indebtedness is incurred, the amount that would cause the Consolidated Secured Leverage Ratio of Parent to be greater than 3.00 to 1.00 as of such date of incurrence;

(11) Liens on or sales of receivables;

(12) other Liens, in addition to those permitted in clauses (1) through (11) above, securing Indebtedness having an aggregate principal amount (including all outstanding Indebtedness incurred pursuant to clause (7) above to extend, renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (12)), measured as of the date of the incurrence of any such Indebtedness (after giving *pro forma* effect to the application of the proceeds therefrom), taken together with the amount of all Attributable Debt of Parent and its Restricted Subsidiaries at that time outstanding relating to Sale and Leaseback Transactions permitted under the covenant described below under the caption "—Limitation on Sale and Leaseback Transactions," not to exceed 15% of the Consolidated Net Tangible Assets of Parent measured as of the date any such Indebtedness is incurred (after giving *pro forma* effect to the application of the proceeds therefrom and any transaction in connection with which such Indebtedness is being incurred);

(13) landlords', carriers', warehousemen's, mechanics', suppliers', materialmen's or other like Liens, in any case incurred in the ordinary course of business with respect to amounts (a) not yet delinquent or (b) being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;

(14) Liens for taxes, assessments or governmental charges or claims or other like statutory Liens, that (a) are not yet delinquent or (b) are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(15) (a) Liens in the form of zoning restrictions, easements, licenses, reservations, covenants, conditions or other restrictions on the use of real property or other minor irregularities in title (including leasehold title) that do not (i) secure Indebtedness or (ii) in the aggregate materially impair the value or marketability of the real property affected thereby or the occupation, use and enjoyment in the ordinary course of business of Parent and the Restricted Subsidiaries at such real property and (b) with respect to leasehold interests in real property, mortgages, obligations, liens and other encumbrances incurred, created, assumed or permitted to exist and arising by, through or under a landlord or owner of such leased property encumbering the landlord's or owner's interest in such leased property;

(16) Liens in the form of pledges or deposits securing bids, tenders, contracts (other than contracts for the payment of Indebtedness) or leases, warranties, statutory or regulatory obligations or self-insurance arrangements arising in the ordinary course of business, banker's acceptances, surety and appeal bonds, performance bonds and other obligations of a similar nature to which Parent or any Restricted Subsidiary is a party, in each case, made in the ordinary course of business;

(17) Liens securing Hedging Obligations not entered into for speculative purposes or securing letters of credit that support such Hedging Obligations; and

(18) Liens resulting from operation of law with respect to any judgments, awards or orders to the extent that such judgments, awards or orders do not cause or constitute a Default under the Indenture.

For purposes of clauses (10) and (12) above, (a) with respect to any revolving credit facility secured by a Lien, the full amount of Indebtedness that may be borrowed thereunder will deemed to be incurred at the time any revolving credit commitment thereunder is first extended or increased and will not be deemed to be incurred when such revolving credit facility is drawn upon and (b) if a Lien by Parent or any of its Restricted Subsidiaries is granted to secure Indebtedness that was previously unsecured, such Indebtedness will be deemed to be incurred as of the date such Indebtedness is secured.

Limitation on Sale and Leaseback Transactions

The Indenture will provide that Parent will not, nor will it permit any of its Restricted Subsidiaries to, enter into any arrangement with any other Person pursuant to which Parent or any of its Restricted Subsidiaries leases any Principal Property that has been or is to be sold or transferred by Parent or the Restricted Subsidiary to such other Person (a "*Sale and Leaseback Transaction*"), except that a Sale and Leaseback Transaction is permitted if Parent or such Restricted Subsidiary would be entitled to incur Indebtedness secured by a Lien on the Principal Property to be leased, without equally and ratably securing the Notes, in an aggregate principal amount equal to the Attributable Debt with respect to such Sale and Leaseback Transaction.

In addition, the following Sale and Leaseback Transactions are not subject to the limitation above and the provisions described in "—Limitation on Liens" above:

(1) temporary leases for a term, including renewals at the option of the lessee, of not more than three years;

(2) leases between only Parent and a Restricted Subsidiary of Parent or only between Restricted Subsidiaries of Parent;

(3) leases where the proceeds from the sale of the subject property are at least equal to the fair market value (as determined in good faith by Parent) of the subject property and Parent applies an amount equal to the net proceeds of the sale to the retirement of long-term Indebtedness or the purchase, construction, development, expansion or improvement of other property or equipment used or useful in its business, within 270 days of the effective date of such sale; *provided* that in lieu of applying such amount to the retirement of long-term Indebtedness, Parent may deliver Notes to the trustee for cancellation; and

(4) leases of property executed by the time of, or within 360 days after the latest of, the acquisition, the completion of construction, development, expansion or improvement, or the commencement of commercial operation, of the subject property.

Merger, Consolidation or Sale of Assets

The Indenture will provide that (i) neither Parent nor the Issuer will consolidate or merge with or into any other Person or Transfer all or substantially all of the properties or assets of Parent and its Subsidiaries, taken as a whole and (ii) neither Parent nor the Issuer will permit any of its Subsidiaries to, in a single transaction or a series of related transactions, Transfer all or substantially all of the properties or assets of Parent and its Subsidiaries, taken as a whole, in each case, to another Person unless:

(1) (a) in the case of a merger, consolidation or Transfer involving Parent, Parent is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than Parent) or to which such Transfer has been made is a corporation organized or existing under the laws of the United States, any State thereof or the District of Columbia, and

(b) in the case of a merger, consolidation or Transfer involving the Issuer, the Issuer is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such Transfer has been made is a corporation organized or existing under the laws of a member state of the European Union (as it existed on December 31, 2003), Switzerland, the United States, any State thereof or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than Parent or the Issuer, as the case may be) or the Person to which such Transfer has been made assumes all the obligations of Parent, the Issuer or such Subsidiary under the Notes, the Note Guarantees and the Indenture pursuant to a supplemental indenture or amendment of the relevant documents; and

(3) immediately after such transaction, no Default or Event of Default exists.

Notwithstanding the foregoing, none of the following shall be permitted:

- the consolidation or merger of Parent with or into or the Transfer of all or substantially all of the property or assets of Parent and its Subsidiaries, taken as a whole, to Crown, other than any such merger or consolidation or Transfer to a Subsidiary of Crown;
- the Transfer of all or substantially all of the property or assets of Crown and its Subsidiaries, taken as a whole, to Crown, other than any Transfer to a Subsidiary of Crown; and
- the consolidation or merger of the Issuer with or into or the Transfer of all or substantially all of the property or assets of the Issuer and its Subsidiaries, taken as a whole, to Crown, other than any such consolidation or merger with or into or Transfer to a Subsidiary of Crown.

The foregoing will not prohibit:

- a consolidation or merger between the Issuer and a Guarantor other than Crown;
- a consolidation or merger between a Guarantor and any other Guarantor other than Crown;
- a consolidation or merger between a Subsidiary (other than the Issuer) that is not a Guarantor and any other Subsidiary other than Crown;
- a consolidation or merger of Parent with or into an Affiliate for the purposes of reincorporating Parent in another jurisdiction;
- the Transfer of all or substantially all of the properties or assets of a Guarantor to the Issuer and/or any other Guarantor other than Crown; or
- the Transfer of all or substantially all of the properties or assets of a Subsidiary (other than the Issuer) that is not a Guarantor to any other Subsidiary other than Crown;

provided that, in each case involving the Issuer or a Guarantor, if the Issuer or such Guarantor is not the surviving entity of such transaction or the Person to which such Transfer is made, the surviving entity or the Person to which such Transfer is made shall comply with clause (2) above.

Upon any consolidation, combination or merger of Parent, the Issuer or any other Guarantor, or any Transfer of all or substantially all of the assets of Parent or the Issuer in accordance with the foregoing, in which Parent, the Issuer or such Guarantor is not the continuing obligor under the Notes or its related Note Guarantee, the surviving entity formed by such consolidation or into which Parent, the Issuer or such Guarantor is merged or to which the Transfer is made will succeed to, and be substituted for, and may exercise every right and power of Parent, the Issuer or such Guarantor under the Indenture, Notes and Note Guarantees with the same effect as if such surviving entity had been named therein as Parent, the Issuer or such Guarantor, as the case may be, and, except in the case of a Transfer to Parent or any of its Subsidiaries, Parent, the Issuer or such Guarantor, as the case may be, will be released from the obligation to pay the principal of and interest on such Notes or in respect of its related Note Guarantee, as the case may be, and all of Parent's, the Issuer or such Guarantor's, as the case may be, other obligations and covenants under such Notes, the Indenture and its related Note Guarantee, if applicable.

Additional Note Guarantees

The Indenture will provide that Parent will not create, acquire or suffer to exist, and will not permit any of its Restricted Subsidiaries to create, acquire or suffer to exist, any Subsidiary other than a Restricted Subsidiary existing as of the Issue Date or that is acquired or created after the Issue Date; *provided*, *however*, that each

(1) Domestic Subsidiary, Canadian Subsidiary, U.K. Subsidiary, Dutch Subsidiary, Mexican Subsidiary, Spanish Subsidiary or Luxembourg Subsidiary of Parent that from time to time is an obligor under the Existing Credit Facility or directly or indirectly (by way of the pledge of any intercompany note or otherwise) Guarantees or in any other manner becomes liable with respect to any Indebtedness of the Issuer, Parent or any other Guarantor (including, without limitation, the Existing Credit Facility), and

(2) Restricted Subsidiary of the Issuer that directly or indirectly (by way of the pledge of any intercompany note or otherwise) Guarantees or in any other manner becomes liable with respect to any Indebtedness of the Issuer, Parent or any other Guarantor (including, without limitation, Indebtedness under the Existing Credit Facility) or is otherwise an obligor under the Existing Credit Facility, must execute a Note Guarantee (and with such documentation relating thereto as is required under the Indenture, including, without limitation, a supplement or amendment to the Indenture and an Opinion of Counsel as to the enforceability of such Note Guarantee), pursuant to which such Restricted Subsidiary will become a Guarantor (unless, in each case, the incurrence of such Note Guarantee is prohibited under the laws of its jurisdiction of incorporation (as evidenced by an Opinion of Counsel)).

As of the date of issuance of the Notes, (i) the Domestic Subsidiaries Crownway Insurance Company, Crown, Cork & Seal Receivables (DE) Corporation, Crown Americas Capital Corp., Crown Americas Capital Corp. II, Crown Americas Capital Corp. III and Crown Americas Capital Corp. IV will not Guarantee the Notes, (ii) the Mexican Subsidiaries Fábricas Monterrey, S.A. de C.V., Cierres Herméticos, S.A. de C.V., Terrestratégicos, S.A. de C.V., Prolatamex, S.A. de C.V., Sílices de Veracruz, S.A. de C.V., Glass & Sílice, S.A. de C.V. and Sílice del Istmo, S.A. de C.V. will not Guarantee the Notes (provided, however, that such Mexican Subsidiaries are expected to provide Note Guarantees after the date of issuance concurrently with becoming guarantors under the Existing Credit Facility) and (iii) the Spanish Subsidiary Adularia Inversiones 2010, S.L.U. will not provide a Note Guarantee.

A Note Guarantee of any Guarantor will be subject to release and discharge as described under the caption "—Ranking and Guarantees."

Reports

The Indenture will provide that, whether or not required by the rules and regulations of the Securities and Exchange Commission (the "*SEC*"), so long as any Notes are outstanding thereunder, the Issuer will furnish to the Trustee and Holders the following:

> (1) all quarterly and annual financial information of Parent that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if Parent were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of Parent and its consolidated Subsidiaries and, with respect to the annual information only, a report thereon by Parent's certified independent accountants; and
>
> (2) all current reports that would be required to be filed with the SEC on Form 8-K if Parent were required to file such reports,

in each case, within the time periods specified in the SEC's rules and regulations. The Issuer may satisfy its obligation to deliver the information and reports referred to in clauses (1) and (2) above by filing the same with the SEC.

In addition, whether or not required by the rules and regulations of the SEC, Parent will file a copy of all such information and reports with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. In addition, the Issuer and the Guarantors will, for so long as any Notes remain outstanding, furnish to the Holders of such Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

The Issuer will also make available copies of all reports required by clauses (1) through (2) of the first paragraph of this covenant, if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the rules of the exchange so require, at the offices of the Paying Agent in Luxembourg or, to the extent and in the manner permitted by such rules, post such reports on the official website of the Issuer (www.crowncork.com).

Delivery of such reports and information to the Trustee shall be for informational purposes only, and the Trustee's receipt of them shall not constitute constructive notice of any information contained therein or determinable from information contained therein (including the Issuer's compliance with any of its covenants under the Indenture as to which the Trustee is entitled to rely exclusively on an Officer's Certificate).

Maintenance of Listing

The Issuer will use its commercially reasonable efforts to maintain the listing of the Notes on the Official List of the Luxembourg Stock Exchange for so long as such Notes are outstanding; *provided* that if at any time the Issuer determines that it will not maintain such listing, it will obtain, prior to the delisting of the Notes from the Official List of the Luxembourg Stock Exchange, and thereafter use its commercially reasonable efforts to maintain, a listing of such Notes on another recognized stock exchange or exchange regulated market in western Europe.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of Parent or of any Subsidiary of Parent, as such, shall have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture or the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver may not be effective to waive liabilities under the federal securities laws and under French law.

Events of Default and Remedies

The Indenture provides that each of the following constitutes an "*Event of Default*":

(1) default for 30 days in the payment when due of interest with respect to the Notes issued thereunder;

(2) default in payment when due of principal or premium, if any, on the Notes issued thereunder at maturity, upon redemption or otherwise;

(3) failure by Parent or any Subsidiary for 30 days after receipt of notice from the Trustee or Holders of at least 25% in principal amount of the Notes then outstanding under the Indenture to comply with the provisions described under "Repurchase at the Option of Holders—Change of Control Repurchase Events";

(4) failure by Parent or any Subsidiary of Parent for 60 days after receipt of notice from the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding under the Indenture to comply with any covenant or agreement contained in the Indenture (other than the covenants and agreements specified in clauses (1) through (3) of this paragraph);

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of Parent or any of its Subsidiaries (or the payment of which is Guaranteed by Parent or any of its Subsidiaries), whether such Indebtedness or Guarantee now exists or is created after the Issue Date, which default (a) is caused by a failure to pay when due at final stated maturity (giving effect to any grace period related thereto) principal of such Indebtedness (a "*Payment Default*") or (b) results in the acceleration of such Indebtedness prior to its stated maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $75.0 million or more; and, in each case, Parent has received notice specifying the default from the Trustee or Holders of at least 25% of the aggregate principal amount of Notes then outstanding and does not cure the default within 30 days;

(6) failure by Parent or any of its Subsidiaries to pay final judgments (net of any amounts covered by insurance and as to which such insurer has not denied responsibility or coverage in writing) aggregating $75.0 million or more, which judgments are not paid, discharged, bonded or stayed within 60 days after their entry;

(7) certain events of bankruptcy or insolvency with respect to Parent, the Issuer or any other Subsidiary of Parent that is a Significant Subsidiary or group of Subsidiaries of Parent that, together, would constitute a Significant Subsidiary; and

(8) any Note Guarantee of any Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Note Guarantee and the Indenture) or is declared null and void and unenforceable or found to be invalid or any Guarantor denies its liability under its Note Guarantee (other than by reason of release of a Guarantor from its Note Guarantee in accordance with the terms of the Indenture and such Note Guarantee).

If any Event of Default under the Indenture occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding under the Indenture may declare all Notes issued under the Indenture to be due and payable by notice in writing to the Issuer and the Trustee, in the case of notice by Holders, specifying the respective Event of Default and that it is a "notice of acceleration" and the same shall become immediately due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (7) above with respect to Parent or the Issuer, all outstanding Notes then outstanding under the Indenture will become due and payable without further action or notice. The Holders of any Notes may not enforce the Indenture relating to the Notes or the Notes except as provided in the Indenture. Subject to certain limitations, the Holders of a majority in principal amount of the then outstanding Notes issued under the Indenture may direct the Trustee in its exercise of any trust or power.

The Holders of a majority in aggregate principal amount of the Notes then outstanding under the Indenture, by written notice to the Trustee, may (subject to certain conditions) on behalf of the Holders of all of the Notes issued under the Indenture waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of interest or premium on, or principal of, such Notes. The Trustee may withhold from the Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in the Holders' interest.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Issuer is required, within five business days after an executive officer of the Issuer becomes aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

Satisfaction and Discharge

The Indenture will be discharged and will, subject to certain surviving provisions, cease to be of further effect as to all Notes issued thereunder when:

(1) the Issuer delivers to the Trustee all outstanding Notes issued under the Indenture (other than Notes replaced because of mutilation, loss, destruction or wrongful taking) for cancellation; or

(2) all Notes outstanding under the Indenture have become due and payable, whether at maturity or as a result of the mailing of a notice of redemption as described above, or will become due and payable within one year, and the Issuer or any Guarantor irrevocably deposits with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in Euro, noncallable government securities, or a combination thereof, sufficient to pay at maturity or upon redemption all Notes outstanding under the Indenture, including interest thereon,

and if in either case the Issuer or any Guarantor pays all other sums payable under the Indenture by it. The Trustee will acknowledge satisfaction and discharge of the Indenture on demand of the Issuer accompanied by an officers' certificate and an Opinion of Counsel, upon which the Trustee shall have no liability in relying, stating that all conditions precedent to satisfaction and discharge have been satisfied and at the cost and expense of the Issuer.

Legal Defeasance and Covenant Defeasance

The Issuer may, at its option and at any time, elect to have all of its obligations and the obligations of the Guarantors discharged with respect to the Notes outstanding under the Indenture ("*Legal Defeasance*"), except for:

(1) the rights of the Holders of the Notes outstanding under the Indenture to receive payments in respect of the principal amount of, premium, if any, and interest on such Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have all of its obligations and the obligations of the Guarantors released with respect to certain covenants that are described in the Indenture ("*Covenant Defeasance*") and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default under the Indenture. In the event Covenant Defeasance occurs under the Indenture, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under the caption "—Events of Default and Remedies" will no longer constitute an Event of Default under the Indenture.

In order to exercise either Legal Defeasance or Covenant Defeasance under the Indenture:

(1) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes issued under the Indenture, cash in Euro, non-callable government securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants (such opinion shall be delivered to the Trustee and upon which the Trustee shall have no liability in relying), to pay the

principal, premium, if any, and interest on the Notes outstanding under the Indenture on the stated maturity or on the applicable optional redemption date, as the case may be, and the Issuer must specify whether such Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States (upon which the Trustee shall have no liability in relying) confirming that (a) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Notes outstanding under the Indenture will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States (upon which the Trustee shall have no liability in relying) confirming that the Holders of the Notes outstanding under the Indenture will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which Parent or any of its Subsidiaries is a party or by which Parent or any of its Subsidiaries is bound;

(6) the Issuer must have delivered to the Trustee an Opinion of Counsel (upon which the Trustee shall have no liability in relying) to the effect that assuming no intervening bankruptcy of the Issuer or any Guarantor between the date of deposit and the 91st day following the deposit and assuming that no Holder is an “insider” of the Issuer under applicable bankruptcy law, after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors’ rights generally;

(7) the Issuer must deliver to the Trustee an officers’ certificate (upon which the Trustee shall have no liability in relying) stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes issued under the Indenture over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others; and

(8) the Issuer must deliver to the Trustee an officers’ certificate and an Opinion of Counsel (upon which the Trustee shall have no liability in relying), each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Transfer and Exchange

A Holder of Notes may transfer or exchange Notes in accordance with the terms of the Indenture. The Registrar and Trustee may require a Holder of Notes, among other things, to furnish appropriate endorsements and transfer documents and the Issuer or the Trustee may require a Holder of Notes to pay any taxes and fees required by law or permitted by the Indenture. The Issuer is not required to transfer or exchange any Note selected for redemption. Also, the Issuer is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

The registered Holder of a Note will be treated as the owner of it for all purposes.

Amendment, Supplement and Waiver

Except to the extent provided in the next three succeeding paragraphs, the Indenture, the Notes governed thereby or any Note Guarantee issued thereunder may be amended with the consent of the Holders of at least a majority in principal amount of the then outstanding Notes issued under the Indenture voting as a single class (including, without limitation, consents obtained in connection with a purchase of, tender offer or exchange offer for Notes), and any existing default or compliance with any provision of the Indenture, the Notes governed thereby or any Note Guarantee issued thereunder may be waived with the consent of the Holders of at least a majority in principal amount of the then outstanding Notes issued under the Indenture voting as a single class (including, without limitation, consents obtained in connection with a purchase of, tender offer or exchange offer for Notes).

Except as provided in the immediately succeeding paragraph, without the consent of each Holder of Notes issued under the Indenture affected thereby, however, an amendment or waiver may not (with respect to any Note held by a non-consenting Holder):

(1) reduce the principal amount of Notes issued under the Indenture whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal amount of or change the fixed maturity of any Notes, or alter the provisions with respect to the redemption of any such Notes other than, except as set forth in clause (7) below, the provisions relating to the covenant described under the caption "—Repurchase at the Option of Holders"; *provided* that the notice period for redemption of the Notes may be reduced to not less than three (3) Business Days with the consent of the Holders of at least a majority in principal amount of the then outstanding Notes if a notice of redemption which remains outstanding has not prior thereto been sent to such Holders;

(3) reduce the rate of or change the time for payment of interest on any such Notes;

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on any such Notes (except a rescission of acceleration of Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes issued under the Indenture and a waiver of the payment default that resulted from such acceleration);

(5) make any such Note payable in currency other than that stated in such Note;

(6) make any change to the provisions of the Indenture relating to waiver of past Defaults or the rights of Holders of the Notes issued thereunder to receive payments of principal of or interest and Additional Amounts, if any, on the Notes;

(7) after the Issuer's obligation to purchase Notes arises thereunder, amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer with respect to a Change of Control Repurchase Event that has occurred, including, without limitation, in each case, by amending, changing or modifying any of the definitions relating thereto;

(8) release Parent, Crown or any other Guarantor that is a Significant Subsidiary from any of its obligations under its Note Guarantee or the Indenture otherwise than in accordance with the terms of the Indenture; or

(9) modify or change any provision of the Indenture affecting the ranking of the Notes or Note Guarantees issued thereunder in a manner adverse to the Holders of Notes issued thereunder.

Without the consent of any Holder of Notes, the Issuer and the Trustee may amend the Indenture, the Notes governed thereby or the Note Guarantees issued thereunder:

- to cure any ambiguity, defect or inconsistency;
- to provide for uncertificated Notes in addition to or in place of certificated Notes;
- to provide for the assumption of the Issuer's or any Guarantor's obligations to the Holders of such Notes in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets;
- to secure the Notes;
- to conform the text of the Indenture, Note Guarantees or the Notes to any provision of this "Description of the Notes" to the extent that such provision in this "Description of the Notes" was intended to be a verbatim recitation of a provision of the Indenture, Note Guarantees or the Notes;
- to add any Guarantor or release any Guarantor from its Note Guarantee if such release is in accordance with the terms of the Indenture;
- to add to the covenants of the Issuer and the Guarantors for the benefit of the Holders of the Notes or to surrender any right or power conferred upon the Issuer and the Guarantors;
- to provide for or confirm the issuance of Additional Notes;
- to make any change that would provide any additional rights or benefits to the Holders of such Notes or that does not adversely affect the rights under the Indenture of any Holder thereunder in any material respect; or
- to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

Concerning the Trustee

The Indenture will contain certain limitations on the rights of the Trustee, should the Trustee in its capacity as Trustee become a creditor of the Issuer, to obtain payment of claims in certain cases, or to realize on certain assets received in respect of any such claim as security or otherwise. The Trustee in its individual capacity is permitted to engage in other transactions with the Issuer; however, if the Trustee acquires any conflicting interest as defined under the Trust Indenture Act, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as Trustee or resign.

The Holders of a majority in principal amount of the then outstanding Notes under the Indenture have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee under the Indenture, subject to certain exceptions. The Indenture will provide that in case an Event of Default of which a responsible officer of the Trustee has actual knowledge (as provided in the Indenture) shall occur under the Indenture (which shall not be cured), the Trustee will be required, in the exercise of its power as provided in the Indenture, to use the degree of care of a prudent person under the circumstances in the conduct of such person's own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes issued thereunder, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense. The Trustee's fees, expenses and indemnities are included in the amounts Guaranteed by the Note Guarantees.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents (each, a "*Paying Agent*") for the Notes in the City of London. The Issuer will ensure that it maintains a Paying Agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the European Union Directive 2003/48/EC (as amended from time to time), the directive adopted on March 24, 2014 by the Council of the European Union amending and broadening such directive, or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income, or any law implementing, or complying with or introduced in order to conform to, such directive. The initial Paying Agent will be Elavon Financial Services Limited, UK Branch in London (the "*Principal Paying Agent*").

The Issuer will also maintain one or more registrars (each, a "*Registrar*"). The initial Registrar and transfer agent will be Elavon Financial Services Limited in Dublin. The Registrar and the transfer agent will maintain a register reflecting ownership of any Notes in certificated, non-global form outstanding from time to time and will make payments on and facilitate transfer of such Notes in certificated, non-global form on the behalf of the Issuer.

The Issuer may change the Paying Agents, the Registrars or the transfer agents without prior notice to the Holders. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxembourger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (www.bourse.lu).

Listing

Application will be made to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Euro MTF Market. There can be no assurance that the application to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Euro MTF Market will be approved and settlement of the Notes is not conditioned on obtaining this listing. So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and the rules of such exchange so require, notices to be given to Holders shall be validly given if published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (www.bourse.lu).

Enforceability of Judgments

Service of process upon the Issuer or any Guarantor in any action to enforce the Indenture, the Notes governed thereby or a Note Guarantee issued thereunder may be obtained within the United States by service upon CT Corporation System, the Issuer's and the Guarantors' designated agent for service of process under the Indenture, the Notes governed thereby or the Note Guarantees issued thereunder. Since substantially all of the Issuer's assets and the assets of the Guarantors are outside the United States, any judgment obtained in the United States against the Issuer or the Guarantors, including judgments with respect to the payment of principal, premium if any, and interest on the Notes, may not be collectible within the United States. In addition, judgments obtained against the Issuer or the Guarantors in jurisdictions outside of the United States, such as France, may not be collectible in the United States or in any jurisdiction other than the jurisdiction in which the judgment was obtained. In actions brought in countries outside of the United States, courts may choose to apply their own law rather than the law of the State of New York, which governs the Indenture, the Notes and the Note Guarantees. The application of foreign law may limit your ability to enforce your rights under the Notes or the Note Guarantees.

The Indenture will provide that the Issuer and the Guarantors will submit to the jurisdiction of any United States federal or state court located in the City of New York in any suit, action or proceeding with respect to the Indenture, the Notes governed thereby or the Note Guarantees issued thereunder or under U.S. federal or state securities laws brought in any such court.

Although the Issuer and the Guarantors will agree under the terms of the Indenture to accept service of process in the United States by an agent designated for such purpose, it may not be possible for investors to (i) effect service of process within the United States upon the Issuer's or the Guarantors' officers and directors and (ii) realize in the United States upon judgments against such persons obtained in such courts predicated upon civil liabilities of such persons, including any judgments predicated upon U.S. federal securities laws, to the extent such judgments exceed such person's U.S. assets.

See "Service of Process and Enforceability of Liabilities."

Judgment Currency

Any payment on account of an amount that is payable in Euros which is made to or for the account of any Holder or the Trustee in lawful currency of any other jurisdiction (the "Judgment Currency"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer or the Guarantor's obligation under the Indenture and the Notes or Note Guarantee, as the case may be, only to the extent of the amount of Euros which such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of Euros that could be so purchased is less than the amount of Euros originally due to such Holder or the Trustee, as the case may be, the Issuer and the Guarantors shall indemnify and hold harmless the Holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture or the Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Governing Law

The Indenture, the Notes and the Note Guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"amend" means to amend, supplement, restate, amend and restate or otherwise modify; and "amendment" shall have a correlative meaning.

"*asset*" means any asset or property, whether real, personal or mixed, tangible or intangible.

"*Attributable Debt*" means, with respect to any Sale and Leaseback Transaction, at the time of determination, the lesser of (1) the sale price of the property so leased multiplied by a fraction the numerator of which is the remaining portion of the base term of the lease included in such transaction and the denominator of which is the base term of such lease, and (2) the total obligation (discounted to the present value at the implicit interest factor, determined in accordance with GAAP, included in the rental payments) of the lessee for rental payments (other than amounts required to be paid on account of property taxes as well as maintenance, repairs, insurance, water rates and other items which do not constitute payments for property rights) during the remaining portion of the base term of the lease included in such transaction. Notwithstanding the foregoing, if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation."

"*Board of Directors*" means, with respect to any Person, the board of directors or comparable governing body of such Person.

''*Bund Rate*'' means, as of any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

(1) ''*Comparable German Bund Issue*'' means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to November 15, 2024, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to November 15, 2024; *provided*, *however*, that, if the period from such redemption date to November 15, 2024 is less than one year, a fixed maturity of one year shall be used;

(2) ''*Comparable German Bund Price*'' means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(3) ''*Reference German Bund Dealer*'' means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(4) ''*Reference German Bund Dealer Quotations*'' means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third Business Day preceding the relevant date.

"*Capital Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on the balance sheet in accordance with GAAP.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; and

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited).

"*Change of Control*" means the occurrence of any of the following:

(1) any Transfer (other than by way of merger or consolidation) of all or substantially all of the assets of Parent and its Subsidiaries taken as a whole to any "person" (as defined in Section 13(d) of the Exchange Act) or "group" (as defined in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) other than any Transfer to Parent or one or more Subsidiaries of Parent or any Transfer to one or more Permitted Holders;

(2) the adoption of a plan for the liquidation or dissolution of Parent or the Issuer (other than in a transaction that complies with the covenant described under "—Certain Covenants—Merger, Consolidation or Sale of Assets");

(3) the consummation of any transaction or series of related transactions (including, without limitation, by way of merger or consolidation), the result of which is that any "person" (as defined above) or "group" (as defined above), other than one or more Permitted Holders, becomes, directly or indirectly, the "beneficial owner" (as defined above) of more than 50% of the voting power of the Voting Stock of Parent; *provided, however*, that a transaction in which Parent becomes a Wholly Owned Subsidiary of another Person (other than a Person that is an individual) (the "New Parent") shall not constitute a Change of Control if (a) the shareholders of Parent immediately prior to such transaction "beneficially own" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly through one or more intermediaries, at least a majority of the total voting power of the outstanding Voting Stock of such New Parent, immediately following the consummation of such transaction, and (b) immediately following the consummation of such transaction, no "person" (as defined above"), other than a Permitted Holder or a holding company satisfying the requirements of this clause, "beneficially owns" (as defined above) directly or indirectly through one or more intermediaries, a majority of the total voting power of the outstanding Voting Stock of such New Parent;

(4) during any consecutive two-year period, the first day on which a majority of the members of the Board of Directors of Parent who were members of the Board of Directors of Parent at the beginning of such period are not Continuing Directors; or

(5) the first day on which Parent fails to own, either directly or indirectly through one or more Wholly Owned Subsidiaries, 100% of the issued and outstanding Equity Interests of the Issuer.

"*Change of Control Repurchase Event*" means the occurrence of both a Change of Control and a Ratings Event.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"C*onsolidated EBITDA*" means, with respect to any Person for any period, the Consolidated Net Income of such Person and its Subsidiaries for such period, plus, to the extent deducted in computing Consolidated Net Income:

(1) provision for taxes based on income or profits of such Person and its Subsidiaries for such period;

(2) Consolidated Interest Expense of such Person for such period;

(3) depreciation and amortization (including amortization of goodwill and other intangibles) and all other non-cash charges (excluding any such non-cash charge to the extent that it represents an accrual of or reserve for cash charges in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Subsidiaries for such period; and

(4) any non-recurring restructuring charges or expenses of such Person and its Subsidiaries for such period,

in each case, on a consolidated basis determined in accordance with GAAP. Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash charges and non-recurring restructuring charges or expenses of, a Subsidiary of a Person shall be added to Consolidated Net Income to compute Consolidated EBITDA only to the extent (and in the same proportion) that the net income or loss of such Subsidiary was included in calculating the Consolidated Net Income of such Person.

"*Consolidated Interest Expense*" means, with respect to any Person for any period, the interest expense of such Person and its Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP (including amortization of original issue discount and deferred financing costs, non-cash interest payments, the interest component of all payments associated with Capital Lease Obligations, capitalized interest, net payments, if any, pursuant to Hedging Obligations and imputed interest with respect to Attributable Debt).

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the net income of such Person and its Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

(1) the net income (but not loss) of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid to the referent Person or (subject to clause (4) below) a Subsidiary thereof in cash;

(2) the cumulative effect of a change in accounting principles shall be excluded;

(3) the net income of any Subsidiary of such Person shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that net income is not permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, law, statute, rule or governmental regulation applicable to that Subsidiary or its stockholders;

(4) in the case of a successor to such Person by consolidation or merger or as a transferee of such Person's assets, any earnings of the successor corporation prior to such consolidation, merger or transfer of assets shall be excluded;

(5) any net gain or loss resulting from an asset disposition by the Person in question or any of its Subsidiaries other than in the ordinary course of business shall be excluded;

(6) extraordinary gains and losses shall be excluded;

(7) any fees, charges, costs and expenses incurred in connection with the Financing Transaction shall be excluded; and

(8) (a) the amount of any write-off of deferred financing costs or of indebtedness issuance costs and the amount of charges related to any premium paid in connection with repurchasing or refinancing indebtedness shall be excluded and (b) all non-recurring expenses and charges relating to such repurchase or refinancing of indebtedness or relating to any incurrence of indebtedness, in each case, whether or not such transaction is consummated, shall be excluded.

"*Consolidated Net Tangible Assets*" means, with respect to any specified Person as of any date, the total assets of such Person and its Subsidiaries as of the most recent fiscal quarter end for which a consolidated balance sheet of such Person and its Subsidiaries is available as of that date, *minus* (a) all current liabilities of such Person and its Subsidiaries reflected on such balance sheet (excluding any current liabilities for borrowed money having a maturity of less than 12 months but by its terms being renewable or extendible beyond 12 months from such date at the option of the borrower) and (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangible assets of such Person and its Subsidiaries reflected on such balance sheet, as determined on a consolidated basis in accordance with GAAP.

"*Consolidated Secured Indebtedness*" means, with respect to any specified Person as of any date, (a) the total amount of Indebtedness of such Person and its Subsidiaries as of the most recent consolidated balance sheet of such Person and its Subsidiaries that is available as of that date that is secured by a Lien on the assets or property of such specified Person or any of its Subsidiaries or upon shares of Capital Stock or Indebtedness of any of its Subsidiaries, as determined on a consolidated basis in accordance with GAAP, *plus* (b) the total amount of Capital Lease Obligations of such Person and its Subsidiaries as of the most recent consolidated balance sheet of such Person and its Subsidiaries that is available as of that date, as determined on a consolidated basis in accordance with GAAP, plus (c) the total amount of Attributable Debt in respect of Sale and Leaseback Transactions of such Person and its Subsidiaries as of such date.

"*Consolidated Secured Leverage Ratio*" means, with respect to any specified Person as of any date, the ratio of (a) the Consolidated Secured Indebtedness of such Person as of such date to (b) the Consolidated EBITDA of such Person for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available. In the event that the specified Person or any of its Subsidiaries incurs, assumes, Guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness that is secured by a Lien on the assets or property of such Person or any of its Subsidiaries or upon shares of stock or Indebtedness of any of its Subsidiaries (other than ordinary working capital borrowings) subsequent to the commencement of the period for which such Consolidated EBITDA is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Secured Leverage Ratio is made (the "*Calculation Date*"), then the Consolidated Secured Leverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Consolidated Secured Leverage Ratio:

(1) acquisitions and dispositions that have been made by the specified Person or any of its Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries acquired by the specified person or any of its Subsidiaries, and including any related financing transactions and giving effect to the application of proceeds from any dispositions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the four-quarter reference period and Consolidated EBITDA for such reference period will be calculated without giving effect to clause (4) of the proviso set forth in the definition of Consolidated Net Income; and

(2) the Consolidated EBITDA attributable to discontinued operations, as determined with GAAP, and operations or businesses disposed of prior to the Calculation Date, will be excluded,

provided that to the extent that clause (1) or (2) of this paragraph requires that pro forma effect be given to an acquisition, disposition or discontinued operations, as applicable, such pro forma calculation shall be made in good faith by a responsible financial or accounting officer of Parent (and may include, for the avoidance of doubt and without duplication, cost savings, synergies and operating expense resulting from such acquisition whether or not such cost savings, synergies or operating expense reductions would be allowed under Regulation S-X promulgated by the SEC or any other regulation or policy of the SEC).

"*Continuing Directors*" means, as of any date of determination, any member of the Board of Directors of the relevant Person who:

(1) was a member of such Board of Directors on the Issue Date; or

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

"*Credit Facilities*" means one or more debt facilities (including, without limitation, the Existing Credit Facility) or commercial paper facilities or capital markets financings, in each case with banks or other lenders providing for revolving credit loans, term loans, notes or letters of credit, in each case as any such agreement may be amended or refinanced, including any agreement(s) extending the maturity of or refinancing (including increasing the amount of available borrowings thereunder or adding Parent or Subsidiaries of Parent as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement(s) or any successor or replacement agreement and whether by the same or any other agent, lender or group of lenders or creditor or group of creditors.

"*Crown*" means Crown Cork & Seal Company, Inc., a Pennsylvania corporation, and its successors and assigns.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Domestic Subsidiary*" means any Subsidiary organized under the laws of the United States, any State thereof or the District of Columbia.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"*Existing Credit Facility*" means the Credit Agreement dated as of December 19, 2013, as such agreement may be amended or refinanced, including any agreement(s) extending the maturity of or refinancing (including increasing the amount of available borrowings thereunder or adding Parent or Subsidiaries of Parent as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement(s) or any successor or replacement agreement(s) and whether by the same or any other agent, lender or group of lenders or creditor or group of creditors.

"*Financing Transaction*" means issuance of the Notes and the application of the net proceeds thereof as described in this offering memorandum.

"*Foreign Subsidiary*" means any Subsidiary other than a Domestic Subsidiary.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect on the Issue Date.

"*Guarantee*" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, through letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness. "Guarantee" when used as a verb shall have a corresponding meaning.

"*Guarantor*" means:

(1) Parent;

(2) each Subsidiary that executes and delivers a Note Guarantee pursuant to the covenant described under "—Certain Covenants—Additional Note Guarantees"; and

(3) each Subsidiary that otherwise executes and delivers a Note Guarantee,

in each case, until such time as such Person is released from its Note Guarantee in accordance with the provisions of the Indenture.

"*Hedging Obligations*" means, with respect to any Person, the obligations of such Person under:

(1) any interest rate protection agreements including, without limitation, interest rate swap agreements, interest rate cap agreements and interest rate collar agreements;

(2) any foreign exchange contracts, currency swap agreements or other agreements or arrangements designed to protect such Person against fluctuations in interest rates or foreign exchange rates;

(3) any commodity futures contract, commodity option or other similar arrangement or agreement designed to protect such Person against fluctuations in the prices of commodities; and

(4) indemnity agreements and arrangements entered into in connection with the agreements and arrangements described in clauses (1), (2) and (3).

"*Holder*" means any registered holder, from time to time, of any Notes.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person, in respect of borrowed money, whether evidenced by credit agreements, bonds, notes, debentures or similar instruments or letters of credit, or reimbursement agreements in respect thereof. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any Principal Property of the specified Person or any of its Subsidiaries or upon the shares of Capital Stock or Indebtedness of any Subsidiary of the specified Person, whether or not such Indebtedness is assumed by the specified Person, and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person or any liability of any person, whether or not contingent and whether or not it appears on the balance sheet of such Person.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness that does not require the current payment of interest;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the fair market value (as determined in good faith by Parent) of such assets at the date of determination; and

(b) the amount of the Indebtedness of the other Person.

For avoidance of doubt, a letter of credit or analogous instrument will not constitute Indebtedness until it has been drawn upon.

"*Investment Grade*" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's), a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) and the equivalent Investment Grade credit rating from any additional Rating Agency or Rating Agencies selected by Parent.

"*Issue Date*" means May 5, 2015, the date on which Notes were first issued under the Indenture.

"*Lien*" means, with respect to any asset, any mortgage, deed of trust, deed to secure debt, debenture, lien, pledge, charge, security interest, hypothecation or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"*Make-Whole Premium*" means, with respect to a Note at any Make-Whole Redemption Date, an amount equal to the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (x) the present value at such Make-Whole Redemption Date of the sum of (1) the principal amount that would be payable on such Note on November 15, 2024 and (2) all remaining interest payments to and including November 15, 2024 (but excluding any interest accrued to the Make-Whole Redemption Date), discounted on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) from November 15, 2024 to the Make-Whole Redemption Date at a per annum interest rate equal to the Bund Rate on such Make-Whole Redemption Date plus 0.50%, over (y) the outstanding principal amount of such Note.

"*Make-Whole Redemption Date*" with respect to a Make-Whole Redemption, means the date such Make Whole Redemption is effectuated.

"*Moody's*" means Moody's Investors Service, Inc., and its successors.

"*Note Guarantee*" means any Guarantee of the obligations of the Issuer under the Indenture and the Notes by any Person in accordance with the provisions of the Indenture.

"*Opinion of Counsel*" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. Such counsel may be an employee of or counsel to Parent or any of its Subsidiaries.

"*Ordinance*" means ordinance No. 2014-326 of March 12, 2014 relating to the reform of the prevention of corporate difficulties and of insolvency proceedings, entering into force on July 1, 2014.

"*Parent*" means Crown Holdings, Inc., a Pennsylvania corporation, and its successor and assigns.

"*Permitted Holders*" means, collectively, the executive officers of Parent on the Issue Date.

"*Person*" means an individual, partnership, corporation, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof.

"*Principal Property*" means any manufacturing plant or manufacturing facility owned (excluding any equipment or personalty located therein) by Parent or any of its Subsidiaries that has a net book value in excess of 1.5% of the Consolidated Net Tangible Assets of Parent. For purposes of this definition, net book value will be measured at the time the relevant Lien is being created, at the time the relevant secured Indebtedness is incurred or at the time the relevant Sale and Leaseback Transaction is entered into, as applicable.

"*Principal Property Subsidiary*" means any Subsidiary that owns, operates, or leases one or more Principal Properties.

"*Rating Agency*" means (1) each of Moody's and S&P and (2) if either Moody's or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of Parent's control, a "nationally recognized statistical rating organization" within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by Parent as a replacement agency for Moody's or S&P, or both, as the case may be.

"*Rating Date*" means the date that is 60 days prior to the earlier of (a) a Change of Control or (b) public notice of the occurrence of a Change of Control or the intention by Parent to effect a Change of Control.

"*Ratings Event*" means the occurrence of the events described in (1) or (2) of this definition on, or within 60 days of the earlier of, (i) the occurrence of a Change of Control or (ii) public notice of the occurrence of a Change of Control or the intention by Parent to effect a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies):

(1) if the Notes are rated by one or both Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes shall be reduced so that the Notes are rated below Investment Grade by both Rating Agencies; or

(2) if the Notes are rated below Investment Grade by both Rating Agencies on the Rating Date, the rating of the Notes shall remain rated below Investment Grade by both Rating Agencies.

"*Restricted Subsidiary*" means a Subsidiary.

"*S&P*" means Standard & Poor's Ratings Services, a division of the McGraw Hill Corporation, Inc., and its successors.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Issue Date.

"*Subsidiary*" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof).

"*Transfer*" means to sell, assign, transfer, lease (other than pursuant to an operating lease entered into in the ordinary course of business), convey or otherwise dispose of, including by sale and leaseback transaction, consolidation, merger, liquidation, dissolution or otherwise, in one transaction or a series of transactions.

"*Voting Stock*" means any class or classes of Capital Stock pursuant to which the holders thereof have power to vote in the election of directors, managers or trustees of any Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

"*Wholly Owned Subsidiary*" of any Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person.

BOOK-ENTRY; DELIVERY AND FORM

Rule 144A Notes will be represented by one or more global notes in definitive, fully registered form without interest coupons (collectively, the "*Restricted Global Notes*") and will be deposited with a common depositary (the "*Common Depositary*") for the Euroclear System as operated by Euroclear Bank S.A./N.V. ("*Euroclear*") and Clearstream Banking, S.A. ("*Clearstream*") and registered in the name of a nominee of the Common Depositary. Regulation S Notes will be represented by one or more global notes in fully registered form without interest coupons (collectively, the "*Regulation S Global Notes*") and will be deposited with the Common Depositary for Euroclear and Clearstream and registered in the name of a nominee of the Common Depositary. The Restricted Global Notes and the Regulation S Global Notes will be subject to certain restrictions on transfer set forth therein and in the Indenture and will bear the legend regarding such restrictions set forth under "Notice to Investors."

Through and including the 40th day after the later of the commencement of the offering and the issue date of the notes (such period through and including such 40th day, the "*Restricted Period*") beneficial interests in the Regulation S Global Notes may be held only through Euroclear or Clearstream, unless delivery is made through the Restricted Global Notes in accordance with the certification requirements described below. The Regulation S Global Notes will bear a legend (in the form provided in the Indenture) to the effect that such notes have not been registered under the Securities Act and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person unless such notes are registered under the Securities Act or an exemption from such registration requirements is available (the "*Regulation S Legend*").

Prior to the expiration of the Restricted Period, a beneficial interest in a Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Restricted Global Note only upon receipt by the Trustee of a written certification (in the form provided in the Indenture) from the transferor to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" acquiring for its own account or the account of a "qualified institutional buyer" in a transaction complying with Rule 144A and in accordance with any applicable securities laws of the states of the United States and other jurisdictions. After the expiration of the relevant Restricted Period, such certification requirement will no longer apply to such transfers.

Beneficial interests in a Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, whether before or after the expiration of the Restricted Period, only upon receipt by the Trustee of a written certification from the transferor (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 904 of Regulation S or Rule 144 under the Securities and that, if such transfer occurs prior to the expiration of the Restricted Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream. Any beneficial interest in a Restricted Global Note or a Regulation S Global Note that is transferred to a person who takes delivery in the form of an interest in any other global note will, upon transfer, cease to be an interest in such global note and will become an interest in such other global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other global note for as long as it remains such an interest.

Transfers involving an exchange of a beneficial interest in a Regulation S Global Note for a beneficial interest in a Restricted Global Note or vice versa will be effected through Euroclear and Clearstream. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of such Regulation S Global Note and a corresponding increase in the principal amount of such Restricted Global Note or vice versa, as applicable.

Except in the limited circumstances described below, owners of beneficial interests in global notes will not be entitled to receive physical delivery of certificated notes. Transfers of beneficial interests in the global notes will be subject to the applicable rules and procedures of Euroclear and Clearstream and their respective direct or indirect participants, which rules and procedures may change from time to time.

Global Notes

The following description of the operations and procedures of Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them from time to time. Neither Crown European Holdings nor the initial purchasers take any responsibility for these operations and procedures and they urge investors to contact the systems or their participants directly to discuss these matters.

Upon the issuance of the Regulation S Global Notes and the Restricted Global Notes (collectively, the "*Global Notes*"), the Common Depositary will credit, on its internal system, the respective principal amount of the beneficial interests represented by such global note to the accounts of Euroclear and Clearstream. Euroclear and Clearstream will credit, on their internal systems, the respective principal amounts of the individual beneficial interests in such global notes to the accounts of persons who have accounts with Euroclear and Clearstream. Such accounts initially will be designated by or on behalf of the initial purchasers. Ownership of beneficial interests in the Global Notes will be limited to participants or persons who hold interests through participants in Euroclear or Clearstream. Ownership of beneficial interests in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by Euroclear and Clearstream or their nominees (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

As long as the Common Depositary, or its nominee, is the registered holder of a global note, the Common Depositary or such nominee, as the case may be, will be considered the sole owner and holder of the notes represented by such global notes for all purposes under the Indenture and the notes. Unless (1) Euroclear and Clearstream notify Crown European Holdings they are unwilling or unable to continue as clearing agency, (2) the Common Depositary notifies Crown European Holdings that it is unwilling or unable to continue as Common Depositary and a successor Common Depositary is not appointed within 120 days of such notice or (3) an Event of Default has occurred and is continuing with respect to such note, owners of beneficial interests in such global note will not be entitled to have any portions of such global note registered in their names, will not receive or be entitled to receive physical delivery of notes in certificated form and will not be considered the owners or holders of such global note (or any notes represented thereby) under the Indenture or the notes. In addition, no beneficial owners of an interest in a global note will be able to transfer that interest except in accordance with Euroclear's and Clearstream's procedures (in addition to those under the Indenture).

Investors may hold their interests in the Global Notes through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations which are participants in such systems. All interests in a global note may be subject to the procedures and requirements of Euroclear and Clearstream.

Payments of the principal of and interest on Global Notes will be made to the Common Depositary or its nominee as the registered owner thereof. Neither Crown European Holdings, the Trustee, the Common Depositary nor any of their respective agents will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Crown European Holdings expects that the Common Depositary, in its capacity as paying agent, upon receipt of any payment of principal or interest in respect of a global note representing any notes held by it or its nominee, will immediately credit the accounts of Euroclear and Clearstream, which in turn will immediately credit accounts of participants in Euroclear and Clearstream with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note for such notes as shown on the records of Euroclear and Clearstream. Crown European Holdings also expects that payments by participants to owners of beneficial interests in such global note held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in “street name.” Such payments will be the responsibility of such participants.

Because Euroclear and Clearstream can only act on behalf of their participants, who in turn act on behalf of indirect participants and certain banks, the ability of a holder of a beneficial interest in global notes to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for such interest. The laws of some countries and some U.S. states require that certain persons take physical delivery of securities in certificated form. Consequently, the ability to transfer beneficial interests in a global note to such persons may be limited. Because Euroclear and Clearstream can act only on behalf of participants, which in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a global note to pledge such interest to persons or entities that do not participate in Euroclear and Clearstream, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate evidencing such interest.

Euroclear and Clearstream have advised Crown European Holdings that they will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more participants to whose account with Euroclear or Clearstream, as the case may be, interests in the global notes are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such participant or participants has or have given such direction. However, if there is an Event of Default under the notes, Euroclear and Clearstream reserve the right to exchange the global notes for legended notes in certificated form, and to distribute such notes to their respective participants.

Euroclear and Clearstream have advised Crown European Holdings as follows: Euroclear and Clearstream each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream each provide various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream are worldwide financial institutions including underwriters, securities brokers and dealers, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder’s overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

Although Euroclear and Clearstream currently follow the foregoing procedures to facilitate transfers of interests in global notes among participants of Euroclear and Clearstream, they are under no obligation to do so, and such procedures may be discontinued or modified at any time. Neither Crown European Holdings nor the Trustee will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certificated Notes

If any depositary is at any time unwilling or unable to continue as a depositary for notes for the reasons set forth above under "—Global Notes," Crown European Holdings will issue certificates for such notes in definitive, fully registered, non-global form without interest coupons in exchange for the applicable global notes. Certificates for notes delivered in exchange for any global note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by Euroclear, Clearstream or the Common Depositary (in accordance with its customary procedures).

Certificates for non-global notes issued in exchange for a global note (or any portion thereof) will bear the applicable restrictive legend referred to under "Notice to Investors" and certificates for non-global notes issued in exchange for a Regulation S Global Note (or any portion thereof) will bear the Regulation S Legend (in each case unless Crown European Holdings determines otherwise in accordance with applicable law). The holder of a non-global note may transfer such note, subject to compliance with the provisions of the applicable legend, by surrendering it at the office or agency maintained by Crown European Holdings for such purpose in London, England, which initially will be the offices of the Transfer Agent in such location. Upon the transfer, exchange or replacement of any note bearing a legend, or upon specific request for removal of a legend on a note, Crown European Holdings will deliver only notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to Crown European Holdings such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by Crown European Holdings that neither such legend nor any restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. Before any note in non-global form may be transferred to a person who takes delivery in the form of an interest in any global note, the transferor will be required to provide the Trustee with such certification as the Trustee may reasonably request. Upon transfer or partial redemption of any note, new certificates may be obtained from the Transfer Agent.

Notwithstanding any statement herein, Crown European Holdings and the Trustee reserve the right to impose such transfer, certification, exchange or other requirements, and to require such restrictive legends on certificates evidencing notes, as they may determine are necessary to ensure compliance with the securities laws of the United States and any State therein and any other applicable laws or as Euroclear or Clearstream may require.

Prescription. Under New York's statute of limitations, any legal action upon the notes must be commenced within six years after the payment thereof is due. Thereafter, the notes will become generally unenforceable.

CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

This section describes certain material U.S. federal income tax consequences of purchasing, owning and disposing of the notes that Crown European Holdings is offering. It applies to you only if you acquire notes in this offering at the offering price and you hold your notes as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities or currencies,
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,
- a financial institution,
- a regulated investment company,
- a life insurance company,
- a tax-exempt organization,
- a non-U.S. or U.S. partnership or other entity treated as a partnership for federal income tax purposes,
- an expatriate,
- a person that owns notes that are a hedge or that are hedged against interest rate risks,
- a person that owns notes as part of a straddle or conversion transaction for tax purposes,
- a person subject to the alternative minimum tax, or
- a person whose functional currency for tax purposes is not the U.S. dollar.

****

YOU SHOULD CONSULT YOUR TAX ADVISOR AS TO THE PARTICULAR TAX CONSEQUENCES TO YOU ARISING FROM YOUR PURCHASE, OWNERSHIP AND DISPOSITION OF A NOTE, INCLUDING THE APPLICABILITY OF ANY U.S. FEDERAL ESTATE OR GIFT TAX LAWS, ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND ANY PROPOSED CHANGES IN APPLICABLE TAX LAWS.

****

If you purchase notes at a price other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

This section (i) does not address all aspects of U.S. federal taxation, such as estate and gift tax consequences and alternative minimum tax consequences, (ii) does not deal with all tax considerations that may be relevant to a holder in light of such holder’s personal circumstances, and (iii) does not address any state, local or non-U.S. tax consequences.

This section is based on the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis. Crown European Holdings is not seeking a ruling from the Internal Revenue Service (the “IRS”) regarding the tax consequences of the purchase, ownership or disposition of the notes. Accordingly, there can be no assurance that the IRS will not successfully challenge one or more of the conclusions stated herein.

If an entity taxable as a partnership holds the notes, the tax treatment of a partner in the partnership generally will depend on the status of the particular partner and the activities of the partnership. Partners of partnerships considering an investment in the notes should consult their own tax advisors as to the specific tax consequences to them of holding the notes indirectly through ownership of their partnership interests.

Payments Subject to Certain Contingencies

In certain circumstances, Crown European Holdings may be obligated to pay holders amounts in excess of the interest and principal payable on the notes. The obligation to make such payments may implicate the provisions of U.S. Treasury Regulations relating to "contingent payment debt instruments." If the notes were deemed to be contingent payment debt instruments, holders might, among other things, be required to treat any gain recognized on the sale or other disposition of a note as ordinary income rather than as capital gain, and the timing and amount of income inclusion may be different from the consequences discussed herein. Crown European Holdings intends to take the position that the likelihood that such payments will be made is remote and/or that such payments are incidental, and therefore the notes are not subject to the rules governing contingent payment debt instruments. This determination will be binding on a holder unless such holder explicitly discloses on a statement attached to such holder's timely filed U.S. federal income tax return for the taxable year that includes the acquisition date of the note that such holder's determination is different. It is possible, however, that the IRS may take a contrary position from that described above, in which case the tax consequences to a holder could differ materially and adversely from those described below. The remainder of this disclosure assumes that the notes will not be treated as contingent payment debt instruments.

U.S. Holders

This subsection describes the tax consequences to a U.S. holder. You are a U.S. holder if you are a beneficial owner of a note and you are for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States,
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia,
- an estate whose income is subject to U.S. federal income tax regardless of its source, or
- a trust if (x) a U.S. court can exercise primary supervision over the trust's administration and one or more United States persons (as defined under the Internal Revenue Code) are authorized to control all substantial decisions of the trust or (y) it has a valid election in effect under the applicable U.S. Treasury Regulations to be treated as a United States person.

Certain trusts not described above in existence on August 20, 1996 that elect to be treated as United States persons will also be U.S. holders for purposes of the following discussion.

If you are not a U.S. holder, this subsection does not apply to you and you should refer to "Non-U.S. Holders" below.

Taxation of Stated Interest

Subject to the discussion below, you generally will be taxed on payments of stated interest on your note as ordinary income at the time you receive the interest or when it accrues, depending on your regular method of accounting for U.S. federal income tax purposes.

Interest will be treated as foreign source income for U.S. federal income tax purposes. Any French taxes imposed on interest will be eligible for the foreign tax credit (or deduction in lieu of such credit), subject to certain limitations. Crown does not expect that the interest will be subject to withholding in France. Please see the discussion below regarding the French tax consequences to U.S. holders under "Material French Tax Considerations." The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For purposes of this calculation, interest on the notes will generally constitute "passive income" or, in the case of certain U.S. holders, "general category income."

The amount of interest income (including income attributable to accrued but unpaid interest upon the sale, redemption, retirement or other taxable disposition of a note) realized by a U.S. holder that uses the cash method of tax accounting will be the U.S. dollar value of the euro payment based on the spot exchange rate in effect on the date of receipt regardless of whether the payment in fact is converted into U.S. dollars. No foreign currency gain or loss will be recognized with respect to the receipt of such payment (other than foreign currency gain or loss realized on any subsequent disposition of the foreign currency so received, as described under "*—Exchange of Non-U.S. Currencies")*.

A U.S. holder using the accrual method of tax accounting will accrue interest income (including income attributable to accrued but unpaid interest upon the sale, redemption, retirement or other taxable disposition of a note) on the note in euros and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the U.S. holder's taxable year) or, at the election of a U.S. holder using the accrual method of tax accounting, at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period, or on the last date of the accrual period (or portion thereof within the U.S. holder's taxable year). A U.S. holder that makes such election must apply it consistently to all debt instruments from year to year and cannot change the election without consent of the IRS. A U.S. holder required to accrue interest income for U.S. federal income tax purposes will recognize foreign currency gain or loss, as the case may be, on the receipt of an interest payment made with respect to a note if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income, regardless of whether the payment is in fact converted into U.S. dollars. The foreign currency gain or loss will be treated as U.S. source ordinary income or loss but generally will not be treated as an adjustment to interest income received on the note.

Sale, Redemption, Retirement or Other Taxable Disposition of the Notes

Except as described below, you will generally recognize capital gain or loss on the sale, redemption, retirement or other taxable disposition of your note equal to the difference between the amount you realize on such disposition (excluding any amounts attributable to accrued but unpaid interest, which will be taxed as ordinary income as discussed above to the extent not previously includible in income) and your adjusted tax basis in your note. Your adjusted tax basis in your note generally will be the amount that you paid for the note. If you purchased a note with euros, your adjusted tax basis generally will be the U.S. dollar value of the amount you paid for the note at the time of such purchase. If your note is sold, redeemed, retired or otherwise disposed of for an amount in euros, your amount realized generally will be the U.S. dollar value of the euros received, based on the spot rate of euros on the date of such sale, retirement, redemption or other taxable disposition. However, if the notes are traded on an established securities market, a cash basis taxpayer will use the spot rate on the settlement date of the purchase or sale (instead of the trade date). An accrual basis U.S. holder may elect to use the settlement date, provided the election is applied consistently. Such election cannot be changed without the consent of the IRS. Any such gain or loss generally will be U.S. source gain or loss, and generally will be capital gain or loss, except as described in the next paragraph. Capital gain of a noncorporate U.S. holder is generally eligible for reduced tax rates where the property is held for more than one year. The deductibility of capital losses is subject to limitations under the Internal Revenue Code.

Gain or loss recognized by you on the sale, redemption, retirement or other taxable disposition of your note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in the exchange rates between the U.S. dollar and the euro during the period in which you held such note. This currency gain or loss will generally be determined by reference to the difference between the U.S. dollar value of the purchase price on the date the note is disposed of (or, if applicable, deemed disposed of) using the spot rate on such date, and the U.S. dollar value of such purchase price on the date the note was acquired, determined using the spot rate on the date the note was acquired.

With respect to the sale, redemption, retirement other taxable disposition of a note, the foreign currency amount realized will be considered first to be the payment of accrued but unpaid interest and thereafter a payment of principal. Exchange gain or loss on principal or interest will be recognized only to the extent of the total gain or loss realized on the transaction, will be treated as ordinary income or loss, and generally will be treated as from U.S. sources for U.S. foreign tax credit purposes.

Exchange of Non-U.S. Currencies

A U.S. holder will have a tax basis in any euros received as interest or upon the sale, redemption, retirement or other taxable disposition of a note, equal to the U.S. dollar value thereof at the time the interest is received or, in the case of a payment received in consideration of the sale, redemption, retirement or other taxable disposition, on the date used to compute exchange gain or loss with respect to such disposition. Any gain or loss realized by a U.S. holder on a sale, redemption, retirement or other taxable disposition of euros, including their exchange for U.S. dollars or their use to purchase notes, will generally be considered ordinary income or loss from U.S. sources.

Additional Tax on Net Investment Income

Certain non-corporate U.S. holders are subject to a 3.8% tax, in addition to regular tax on income and gains, on some or all of their “net investment income,” which generally will include interest on a note, any exchange gain and any net gain recognized upon a disposition of a note. U.S. holders should consult their tax advisors regarding the applicability of this tax in respect of their notes.

Non-U.S. Holders

This subsection describes the tax consequences to a non-U.S. holder. You are a non-U.S. holder if you are a beneficial owner of a note that is an individual, corporation, trust or estate for U.S. federal income tax purposes and you are not a U.S. holder.

If you are a U.S. holder, this subsection does not apply to you.

If you are a non-U.S. holder of a note, you generally will not be subject to U.S. federal income tax or withholding tax on interest income or gain realized on the sale, redemption, retirement or other taxable disposition of a note unless:

- such interest or gain is effectively connected with your conduct of a trade or business in the United States and, to the extent an applicable income tax treaty so provides, is attributable to a permanent establishment in the United States, or
- in the case of gain, you are an individual, you are present in the United States for 183 or more days during the taxable year in which the gain is realized and certain other conditions exist, in which case you will be subject to a flat 30% U.S. federal income tax on any gain recognized (except to the extent otherwise provided by an applicable income tax treaty), which may be offset by certain U.S. losses.

If interest or gain is effectively connected with your conduct of a trade or business in the United States, you generally will be taxed in the same manner as a U.S. holder with respect to such interest or gain, except to the extent otherwise provided under an applicable income tax treaty. In addition, if you are a non-U.S. corporation, you may also be subject to a branch profits tax equal to 30% (or lower applicable income tax treaty rate) of your effectively connected earnings and profits attributable to such interest or gain.

FATCA Withholding on Payments to Certain Foreign Entities

Sections 1471 through 1474 of the Internal Revenue Code (provisions commonly referred to as "FATCA") generally impose withholding of 30% on certain payments to certain foreign entities (including financial intermediaries), unless various U.S. information reporting, diligence requirements (that are in addition to, and potentially significantly more onerous than, the requirement to deliver an IRS Form W-8BEN or IRS Form W-8BEN-E) and certain other requirements have been satisfied. Such payments generally include payments of interest made on certain debt instruments, and, after December 31, 2016, payments of gross proceeds (which includes principal payments) from the sale or other disposition of certain debt securities.

FATCA generally will apply to debt instruments issued by U.S. issuers, but may also apply to debt instruments issued by certain non-U.S. issuers. Under U.S. Treasury Regulations and published administrative guidance, a grandfathering rule provides that a debt instrument of a non-U.S. issuer issued at least 6 months before the final U.S. Treasury Regulations regarding non-U.S. issuers are adopted would generally not be subject to FATCA withholding unless there is a significant modification of such notes after such date, but if there is such a significant modification after such date, the notes become subject to FATCA. Such regulations have not been issued as of the date hereof. If FATCA withholding is imposed, Additional Amounts would be payable in respect thereof. You should consult your tax advisors regarding FATCA and how it may affect your investment in the notes.

Backup Withholding and Information Reporting

U.S. Holders

Information reporting on IRS Form 1099 will apply to payments of interest on, or the proceeds of the sale, redemption, retirement or other taxable disposition (including a redemption or retirement) of, the notes with respect to certain non-corporate U.S. holders, and backup withholding may apply unless the recipient of such payments has supplied a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise established an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that holder's U.S. federal income tax liability provided that the required information is timely furnished to the IRS.

Certain U.S. holders may be required to report information with respect to an investment in the notes not held through an account with a financial institution to the IRS. Investors who fail to report required information could become subject to substantial penalties. Prospective investors are urged to consult with their tax advisors regarding these information reporting requirements.

Under the U.S. Treasury Regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, redemption, retirement or other taxable disposition of a note or foreign currency received in respect of a note to the extent that any such disposition results in a tax loss in excess of a threshold amount. U.S. holders should consult their tax advisors to determine the tax return obligations, if any, with respect to an investment in the notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Non-U.S. Holders

Backup withholding and information reporting on IRS Form 1099 will not apply to payments of interest to a non-U.S. holder provided that you are (i) the beneficial owner of the notes and you certify to the applicable payor or its agent, under penalties of perjury, that you are not a United States person and provide your name and address on a duly executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, (or a suitable substitute form), (ii) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business (a "financial institution") and that certifies under penalties of perjury that such an IRS Form W-8BEN or IRS Form W-8BEN-E (or a suitable substitute form) has been received from the beneficial owner by it or by a financial institution between it and the beneficial owner and furnishes the payor with a copy thereof, or (iii) otherwise exempt from backup withholding and information reporting (provided that neither Crown European Holdings nor its agent has actual knowledge that you are a United States person or that the conditions of any other exemptions are not in fact satisfied).

Information reporting and backup withholding generally will not apply to a payment of the proceeds of a sale, redemption, retirement or other taxable disposition of notes (including a redemption or retirement) effected outside the United States by a non-U.S. office of a non-U.S. broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a sale, redemption, retirement or other taxable disposition of notes effected outside the United States by a non-U.S. office of a broker if the broker (i) is a United States person, (ii) derives 50 percent or more of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is a "controlled foreign corporation" for U.S. federal income tax purposes, or (iv) is a non-U.S. partnership that, at any time during its taxable year is 50 percent or more (by income or capital interest) owned by United States persons or is engaged in the conduct of a U.S. trade or business, unless in any such case the broker has documentary evidence in its records that the holder is a non-U.S. holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment of the proceeds of a sale, redemption, retirement or other taxable disposition of notes by a U.S. office of a broker will be subject to both backup withholding and information reporting unless the holder certifies its non-U.S. status under penalties of perjury or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

MATERIAL FRENCH TAX CONSIDERATIONS

General

The description below only represents a summary of material provisions of French tax laws and regulations which, due to its summary character, does not cover all details and tax exemptions which may apply in specific individual cases and may even require a deviation therefrom. Also, it is based on the tax laws and regulations as currently in force and applied by the French tax authorities on the date hereof; all of which are subject to change or to different interpretation which may change the tax treatment applicable to the notes. Therefore, prospective investors are advised to consult their own advisors concerning the overall tax consequences of the ownership and transfer of the notes on their own situation.

The following is a summary of certain French tax considerations relating to the purchase, ownership and disposition of the notes by a beneficial holder of the notes which (i) is not a French resident for tax purposes, (ii) does not hold the notes in connection with a permanent establishment or a fixed base in France and (iii) does not currently hold shares of the issuer and is not otherwise affiliated with the issuer including within the meaning of Article 39-12 of the French *Code general des impôts* (such holder being hereafter referred to as a "Non-French Holder").

Withholding Tax

The following may be relevant to holders of the notes who do not concurrently hold shares of the issuer and who are not otherwise affiliated with the issuer within the meaning of Article 39-12 of the French Code général des impôts.

Following the introduction of the French *loi de finances pour 2013 (n°2012-1509 dated 28 December 2012)* (the "Law"), payments of interest and other assimilated revenues made by the issuer with respect to the notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a Non-Cooperative State). If such payments under the notes are made in a Non-Cooperative State, a 75% withholding tax will be applicable by virtue of Article 125 A III of the French *Code général des impôts* (subject to certain exceptions and to the more favorable provisions of an applicable double tax treaty).

Furthermore, in application of Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such notes will not be deductible from the issuer's taxable income, if they are paid or accrued to persons established or domiciled in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of 30% or 75% (subject, if applicable, to the more favorable provisions of a tax treaty).

Notwithstanding the foregoing, the Law provides that neither the 75% withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the non-deductibility set out under Article 238 A of the French *Code général des impôts* to the extent that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, nor the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of such non deductibility will apply in respect of the notes if the issuer can prove that the principal purpose and effect of the issue of the notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "Exception"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211, BOI-IR-DOMIC-10-20-20-60-20150320 and BOI-ANNX-000364-20120912, the notes will benefit from the Exception without the issuer having to provide any proof of the purpose and effect of the issue of the notes, if the notes are:

(i) offered by means of a public offer within the meaning of Article L. 411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority;

(ii) admitted to trading on a regulated market or on a French of foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

On the basis that, the notes will be admitted to trading on the Euro MTF in Luxembourg which does not qualify as a Non-Cooperative State, that such market will be operated by a market operator which is not located in a Non-Cooperative State, and in addition that the notes will be admitted to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier* which is not located in a Non-Cooperative State, payments of interest to Non-French Holders of the notes should be subject neither to the withholding tax set out under article 125 A III of the French *Code général des impôts* nor to the withholding tax set out in article 119 bis 2 of the French *Code général des impôts*.

Sale or Other Disposition of the Notes

A Non-French Holder will generally not be subject to income or withholding taxes in France with respect to gains realized on the sale, exchange or other disposition of the notes.

Stamp Duty and Similar Taxes

No transfer taxes or similar duties are payable in France in connection with the issuance or redemption of the notes, as well as in connection with the transfer of the notes and the payment of interest on the notes, other than the possible application of a fixed registration duty (*droite fixe*).

European Union Directive on Taxation of Savings Income

Under Council Directive 2003/48/EC, dated June 3, 2003 on taxation of savings income in the form of interest payments (the "Directive"), Member States are required to provide to the tax authorities of another Member State details of certain payments of interest (or similar income within the meaning of the Directive) paid or secured by a person established in a Member State to or for the benefit of an individual resident in that other Member State or certain limited types of entities established in another Member State.

On March 24, 2014, the Council of the European Union adopted a directive amending and broadening the Directive (the "Amending Directive"), which, when implemented into national law, will amend and broaden the scope of the requirements described above. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The changes will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union. The Member States are required to apply these new requirements from January 1, 2017. A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The withholding tax rate is currently 35%. The changes referred to above will broaden the types of payments subject to withholding in Austria which still operates a withholding system when they are implemented. Luxembourg operated such a withholding system until December 31, 2014 but the Luxembourg government has elected out of the withholding system with effect from January 1, 2015, in favor of automatic information exchange under the Directive.

The transitional period shall end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the “OECD Model Agreement”) with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments and (ii) the date on which the Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

This Directive has been implemented in French law under articles 242 ter of the French *Code général des impôts* and articles 49 I ter to 49 I sexies of the Schedule III to the French *Code général des impôts*. Article 242 ter of the French *Code général des impôts* imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

The Directive may, however, be repealed in due course in order to avoid overlap with Council Directive 2011/16/EU (as amended by Council Directive 2014/107/UE, dated December 9, 2014) on administrative cooperation in the field of taxation, pursuant to which Member States other than Austria will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016. Austria has an additional year before being required to implement the new measures but it has announced that it will nevertheless begin to exchange information automatically in accordance with the timetable applicable to the other Member States.

Prospective investors should rely on their own analysis of the terms of the Directive and should consult appropriate legal or taxation professionals.

NOTICE TO INVESTORS

None of the notes have been registered under the Securities Act or the securities laws of any other jurisdiction and they may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any other applicable jurisdiction. Accordingly, the notes are being offered and sold only (A) to "qualified institutional buyers" (as defined in Rule 144A promulgated under the Securities Act ("Rule 144A")) ("QIBs") in compliance with Rule 144A or (B) outside the United States to persons other than U.S. persons ("non-U.S. purchasers", which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)) in reliance upon Regulation S under the Securities Act ("Regulation S"). As used herein, the terms "United States" and "U.S. person" have the meanings given to them in Regulation S.

Each purchaser of notes will be deemed to have represented and agreed as follows:

1. It is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is either (A) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (B) a non-U.S. purchaser that is outside the United States (or a non-U.S. purchaser that is a dealer or other fiduciary as referred to above).

2. It acknowledges that the notes have not been registered under the Securities Act or any other applicable securities laws and may not be offered or sold except as set forth below.

3. It shall not, on its own behalf and on behalf of any investor for which it has purchased notes, prior to the date (the "Resale Restriction Termination Date") that is one year (in the case of notes issued in reliance on Rule 144A ("Rule 144A Notes")) or 40 days (in the case of notes issued in reliance on Regulation S ("Regulation S Notes")) (or such shorter period of time as permitted by Rule 144A or Regulation S, as applicable, under the Securities Act or any successor provision thereunder) after the later of the original issue date of the notes and the last date on which the Issuer or any affiliate of the issuer was the owner of such notes (or any predecessor of such notes) or, if later, the last date upon which Additional Notes (as defined in the Indenture) have been issued, offer, resell or otherwise transfer any of such notes except (A) to the issuer or any of its subsidiaries, (B) inside the United States to a QIB in a transaction complying with Rule 144A, (C) inside the United States to institutional "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) (an "Accredited Investor"), that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to the Trustee a signed letter containing certain representations and agreements relating to the restrictions on transfer of the notes (the form of which letter can be obtained from such Trustee), (D) outside the United States in compliance with Rule 904 under the Securities Act, (E) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available), (F) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel if the issuer so requests), or (G) pursuant to an effective registration statement under the Securities Act.

4. It agrees that it will give to each person to whom it transfers the notes notice of any restrictions on transfer of such notes.

5. It acknowledges that prior to any proposed transfer of notes in certificated form or of beneficial interests in a note in global form (a "Global Note") (in each case other than pursuant to an effective registration statement) the holder of notes or the holder of beneficial interests in a Global Note, as the case may be, may be required to provide certifications and other documentation relating to the manner of such transfer and submit such certifications and other documentation as provided in the Indenture.

6. It understands that all of the notes will bear a legend substantially to the following effect unless otherwise agreed by the issuer and the holder thereof:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT OR (C) IT IS AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a)(1), (2), (3), OR (7) UNDER THE SECURITIES ACT (AN "ACCREDITED INVESTOR"), (2) AGREES THAT IT WILL NOT, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR] [IN THE CASE OF REGULATION S NOTES: 40 DAYS] (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY [RULE 144] [REGULATION S] UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE ORIGINAL ISSUE DATE OF THIS SECURITY AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) OR, IF LATER, THE LAST DATE UPON WHICH ADDITIONAL NOTES (AS DEFINED IN THE INDENTURE) HAVE BEEN ISSUED, OFFER, RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) INSIDE THE UNITED STATES TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) INSIDE THE UNITED STATES TO AN ACCREDITED INVESTOR THAT, PRIOR TO SUCH TRANSFER, FURNISHES (OR HAS FURNISHED ON ITS BEHALF BY A U.S. BROKER-DEALER) TO THE TRUSTEE A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY (THE FORM OF WHICH LETTER CAN BE OBTAINED FROM THE TRUSTEE FOR THIS SECURITY), (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT (IF AVAILABLE), (E) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (F) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE ISSUER SO REQUESTS), OR (G) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS SECURITY WITHIN ONE YEAR AFTER THE ORIGINAL ISSUANCE OF THIS SECURITY, IF THE PROPOSED TRANSFEREE IS AN ACCREDITED INVESTOR, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE TRUSTEE AND THE ISSUER SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS EITHER OF THEM MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANING GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

7. It shall not sell or otherwise transfer such notes to, and each purchaser represents and covenants that it is not acquiring the notes for or on behalf of, and will not transfer the notes to,

any (i) pension or welfare plan (as defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), (ii) plan (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code")), or (iii) any entity whose assets include assets of any plans described above in clauses (i) and (ii) pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (each a "Plan Entity"), except that such a purchase for or on behalf of a Plan Entity shall be permitted:

I. to the extent such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which, at any time while the notes are held by the purchaser, no Plan Entity (together with any other Plan Entities maintained by the same employer or employee organization) has an interest in excess of 10% of the total assets in such collective investment fund and the conditions of Section III of Prohibited Transaction Class Exemption 91-38 issued by the Department of Labor are satisfied;

II. to the extent such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the notes are held by the purchaser, no Plan Entity (together with any other Plan Entities maintained by the same employer or employee organization) has an interest in excess of 10% of the total of all assets in such pooled separate account and the conditions of Section III of Prohibited Transaction Class Exemption 90-1 issued by the Department of Labor are satisfied;

III. to the extent such purchase is made by or on behalf of an insurance company with assets in its insurance company general account maintained by the purchaser in which, at any time while the notes are held by the purchaser, the conditions of Prohibited Transaction Class Exemption 95-60 issued by the Department of Labor are satisfied;

IV. to the extent such purchase is made on behalf of a Plan Entity by (i) an investment adviser registered under the Investment Advisers Act of 1940 that had as of the last day of its most recent fiscal year total assets under its management and control in excess of $85,000,000 and had stockholders' or partners' equity in excess of $1,000,000, as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, (ii) a bank as defined in Section 202(a)(2) of the Investment Advisers Act of 1940, as amended, with equity capital in excess of $1,000,000 as of the last day of its most recent fiscal year, (iii) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a Plan Entity, which insurance company has, as of the last day of its most recent fiscal year, net worth in excess of $1,000,000 and which is subject to supervision and examination by a state authority having supervision over insurance companies, or (iv) a savings and loan association, the accounts of which are insured by the Federal Deposit Insurance Corporation, that has made application for and been granted trust powers to manage, acquire or dispose of assets of a plan by a State or Federal authority having supervision over savings and loan associations, which savings and loan association has, as of the last day of its most recent fiscal year, equity capital or net worth in excess of $1,000,000 and, in any case, such investment adviser, bank, insurance company or savings and loan is otherwise a qualified professional asset manager, as such term is used in Prohibited Transaction Class Exemption 84-14 issued by the Department of Labor with respect to such Plan Entity, and the assets of such Plan Entity when combined with the assets of other Plan Entities established or maintained by the same employer (or affiliate thereof as defined in such exemption) or employee organization and managed by such investment adviser, bank, insurance company or savings and loan do not represent more than 20% of the total client assets managed by such investment adviser, bank, insurance company or savings and loan and the conditions of Part I of such exemption are otherwise satisfied;

V. to the extent such plan is a governmental Plan Entity (as defined in Section 3 of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;

VI. to the extent the purchase is made by or on behalf of an investment fund managed by an "in-house asset manager" (the "INHAM") (as defined in Part IV of Prohibited Transaction Class Exemption 96-23 issued by the Department of Labor), Plan Entities maintained by affiliates of the INHAM and/or the INHAM have aggregate assets in excess of $250 million, and the conditions of Part I of Prohibited Transaction Class Exemption 96-23 are otherwise satisfied; or

VII. to the extent such purchase by or on behalf of such Plan Entity would not otherwise constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

8. It acknowledges that the Trustee will not be required to accept for registration of transfer any notes acquired by it, except upon presentation of evidence satisfactory to the issuers and the Trustee that the restrictions set forth herein have been complied with.

9. It acknowledges that the issuer, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of the acknowledgments, representations or agreements deemed to have been made by its purchase of the notes are no longer accurate, it shall promptly notify the issuer and the initial purchasers. If it is acquiring the notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations, and agreements on behalf of each account.

PRIVATE PLACEMENT

Subject to the terms and conditions set forth in the Purchase Agreement (the "Purchase Agreement") among the issuer, the guarantors and the initial purchasers, the issuer has agreed to sell to the initial purchasers, and the initial purchasers have agreed, severally, to purchase from the issuer, all of the notes.

The Purchase Agreement provides that the obligations of the initial purchasers to pay for and accept delivery of the notes are subject to, among other conditions, the delivery of certain legal opinions by their counsel.

The initial purchasers have agreed to resell the notes (a) to QIBs in reliance on Rule 144A and (b) outside the United States in compliance with Regulation S under the Securities Act. See "Notice to Investors." The notes will initially be offered at the price indicated on the cover page hereof. After the initial offering of the notes, the offering price and other selling terms of the notes may from time to time be varied by the initial purchasers.

The initial purchasers may make offers and sales in the United States through certain affiliates of the initial purchasers. One or more of the initial purchasers may sell through affiliates or other appropriately licensed entities for sales of the notes in jurisdictions in which they are not otherwise permitted.

The issuer and the guarantors have agreed that, subject to certain exceptions, for a period of 90 days from the date of this offering memorandum, they will not, and will not permit their affiliates to, without the prior written consent of BNP Paribas and Merrill Lynch International, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any debt securities issued or guaranteed by any issuer or any guarantor.

The Purchase Agreement provides that the issuer and the guarantors will indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that the initial purchasers may be required to make in respect thereof.

Each initial purchaser has represented and agreed that it has not made and will not make an offer of notes to the public in a Member State of the European Economic Area ("EEA") other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the representatives; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require the issuer or the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This offering memorandum has been prepared on the basis that any offer of the notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce and publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of the EEA of notes which are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for the issuer or any of the initial purchasers to produce and publish a prospectus that is compliant with the Prospectus Directive in relation to such offer, including Article 3. Neither the issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for the issuer or the initial purchasers to publish a prospectus for such offer.

For the purpose of the above provisions, the expression “an offer of notes to the public” in relation to any notes in any Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State of the EEA by any measure implementing the Prospectus Directive in that Member State of the EEA and the expression “Prospectus Directive” means Directive 2003/71/EC as amended and includes any relevant implementing measure in each relevant Member State of the EEA.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”), (ii) who are persons or companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order, (iii) who are outside the United Kingdom or (iv) who are persons to whom an invitation or inducement to engage an investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Each of the initial purchasers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, the notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France or used in connection with any offer of the notes to the public in France, this offering memorandum or any other offering or marketing material relating to the notes, and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier.*

Prior to the offering, there has been no active market for the notes. Crown European Holdings intends to submit an application to list the notes on the Luxembourg Stock Exchange and to trade on the Euro MTF; however, even if such application is made and approved, no assurance can be given as to the liquidity of, or trading market for, the notes. The initial purchasers have advised the issuer that they presently intend to make a market in the notes as permitted by applicable laws and regulations. The initial purchasers are not obligated, however, to make a market in the notes and any such market making may be discontinued at any time at the sole discretion of the initial purchasers. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the notes.

In connection with the offering, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the notes. Specifically, the initial purchasers may bid for and purchase notes in the open markets to stabilize the price of the notes. The initial purchasers may also overallot the offering, creating a syndicate short position, and may bid for and purchase notes in the open market to cover the syndicate short position. In addition, the initial purchasers may bid for and purchase notes in market making transactions and impose penalty bids. These activities may stabilize or maintain the respective market price of the notes above market levels that may otherwise prevail. The initial purchasers are not required to engage in these activities, and may end these activities at any time.

Certain of the initial purchasers or their respective affiliates from time to time have provided in the past and may provide in the future investment banking, commercial lending and financial advisory services to the issuer and its affiliates in the ordinary course of business for which they have received, or may in the future receive, compensation. In addition, certain of the initial purchasers or their affiliates are lenders and/or agents under Crown's senior secured credit facilities and receive compensation thereunder. Specifically, indebtedness under the Term Loan B facility is being repaid using the net proceeds from this offering and as such certain of the initial purchasers or their affiliates will receive a portion of the proceeds from this offering.

If any of the initial purchasers or their affiliates has a lending relationship with us, certain of those initial purchasers or their affiliates routinely hedge, and certain other of those initial purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby.

We expect that delivery of the notes will be made against payment therefor on or about May 5, 2015, which will be the fifth business day following the date of this offering memorandum (such settlement being referred to as T+5). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes prior to the delivery of the notes hereunder may be required, by virtue of the fact that the notes initially settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the notes who wish to trade the notes prior to their date of delivery hereunder should consult their advisors.

LEGAL MATTERS

Certain legal matters in connection with the notes will be passed upon for Crown and the issuer by Dechert LLP, Philadelphia, Pennsylvania and for the initial purchasers by Cahill Gordon & Reindel LLP, New York, New York.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements of Crown as of December 31, 2014 and 2013 and for each of the three years in the period ended December 31, 2014 included in this offering memorandum, and the effectiveness of internal control over financial reporting as of December 31, 2014, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report appearing herein.

The combined financial statements of Empaque Mexico as of December 31, 2014 and 2013, and for the years then ended included in this offering memorandum have been audited by KPMG Cardenas Dosal, S.C.

AVAILABLE INFORMATION

Crown is subject to the information requirements of the Securities Exchange Act of 1934, and it files unaudited quarterly and audited annual reports, proxy and information statements and other information with the SEC. You may read and copy all or any portion of the reports, proxy and information statements or other information Crown files at the SEC's principal office in Washington, D.C., and copies of all or any part thereof may be obtained from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, after payment of fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information on operation of the public reference rooms. Crown's SEC filings are also available to the public at the SEC's Internet site at *http://www.sec.gov*. In addition, Crown posts its filed documents on its website at *http://www.crowncork.com*. Except for the documents incorporated by reference into this offering memorandum, the information on Crown's website is not part of this offering memorandum. You can also inspect reports, proxy statements and other information about Crown at the offices of The New York Stock Exchange, Inc., located at 20 Broad Street, New York, New York 10005.

While any notes remain outstanding, the issuer will make available, on request, to any holder and any prospective purchaser of notes the information required pursuant to Rule 144A(d)(4) under the Securities Act during any period in which the issuer is not subject to Section 13 or 15(d) of the Exchange Act.

INCORPORATION OF DOCUMENTS BY REFERENCE

The "Executive Compensation" section from Crown's proxy statement filed with the SEC on March 16, 2015 and any future filings Crown makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this offering memorandum and before all of the notes to which this offering memorandum relates have been sold or the offering is otherwise terminated are "incorporated by reference" into this offering memorandum. This means that important information is being disclosed to you by referring you to that filing. The information incorporated by reference is considered a part of this offering memorandum, and subsequent information that Crown files with the SEC will automatically update and supersede this information. Any information which is subsequently modified or superseded will not constitute a part of this offering memorandum, except as so modified or superseded.

Upon written or oral request, you will be provided with a copy of the incorporated document without charge (not including exhibits to the document unless the exhibits are specifically incorporated by reference into the document). You may submit such a request for this material at the following address and telephone number:

Crown European Holdings S.A.
c/o Crown Holdings, Inc.
Attn: Corporate Secretary
One Crown Way
Philadelphia, PA 19154
U.S.A.
(215) 698-5100

GENERAL INFORMATION

Crown European Holdings

General

Crown European Holdings (formerly known as CarnaudMetalbox SA) is a *société anonyme* organized under the laws of the Republic of France on August 30, 1902. Its registered office is located at 67, rue Arago, 93400 Saint Ouen, France. Its correspondence address is its registered office. Crown European Holdings is registered with the Registre du Commerce et des Sociétés de Bobigny, France under the number 775 721 996.

The main purpose of Crown European Holdings is to act as a holding company for Crown's European operations. Its principal assets are the equity interests it holds in its subsidiaries. It also undertakes major borrowings on behalf of Crown and certain of its subsidiaries and advances the proceeds of such borrowings to Crown or certain of its subsidiaries. In addition to acting as issuer of the notes, Crown European Holdings is one of the European borrowers under Crown's senior secured credit facilities. See "Description of Certain Indebtedness—Credit Facilities."

Management

The principal executive officers and directors of Crown European Holdings are:

Name	Age	Title
John W. Conway	69	Président, Directeur Général and administrateur
Timothy J. Donahue	52	Directeur Général Délégué and administrateur
Paul Browett	52	Directeur Général Délégué and administrateur

Biographies

John W. Conway. For more information, see "Management."

Timothy J. Donahue. For more information, see "Management."

Paul Browett. Mr. Browett has been Vice President and Treasurer of the European Division since 2006. Mr. Browett joined Crown in 1995 in its European Beverage operations. He holds a B.S. in Chemical Engineering from Loughborough University.

Crown Holdings

General

Crown is a Pennsylvania corporation incorporated under the Pennsylvania Business Corporation Law of 1988 on February 7, 2003. Crown's authorized capital stock consists of (i) 500,000,000 shares of common stock, par value $5.00 per share, of which 139,181,151 shares were issued and outstanding as of March 3, 2015 and 46,562,921 shares were held in treasury on such date, and (ii) 30,000,000 shares of preferred stock, without par value, none of which is currently outstanding.

Clearing Systems

Crown expects that the notes will be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems by Euroclear Bank S.A./N.V. and Clearstream Banking S.A. The Common Codes are 122727122 and 122728722 and the ISINs are XS1227271225 and XS1227287221 for the Rule 144A and Regulation S notes, respectively.

Documents

Copies of the certificate of incorporation and bylaws of Crown European Holdings will be available for inspection so long as any notes are outstanding on Crown's website (*http://www.crowncork.com*).

Copies of Crown's latest annual report and quarterly interim consolidated financial statements will be available free of charge on Crown's website (*http://www.crowncork.com*), so long as any notes are outstanding. Crown does not prepare stand-alone (unconsolidated) financial statements.

Copies of the indenture relating to the notes and all agreements in connection with the issuance of the notes will be available for inspection on Crown's website (*http://www.crowncork.com*), so long as any notes are outstanding.

Except for the documents incorporated by reference into this offering memorandum, the information on Crown's website is not part of this offering memorandum.

INDEX TO FINANCIAL STATEMENTS

Consolidated Financial Statements of Crown Holdings, Inc.

Audited Consolidated Financial Statements:

Management's Report on Internal Control over Financial Reporting F-2

Report of Independent Registered Public Accounting Firm F-3

Consolidated Statements of Operations for the years ended December 31, 2014, 2013 and 2012 . . . . F-5

Consolidated Statements of Comprehensive Income for the years ended December 31, 2014, 2013 and 2012 . . . . F-6

Consolidated Balance Sheets as of December 31, 2014 and 2013 . . . . F-7

Consolidated Statements of Cash Flows for the years ended December 31, 2014, 2013 and 2012 . . . . F-8

Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2014, 2013 and 2012 . . . . F-9

Notes to Consolidated Financial Statements F-10

Schedule II—Valuation and Qualifying Accounts and Reserves F-66

Combined Financial Statements of Empaque Mexico

Independent Auditors' Report F-67

Combined Statements of Financial Position as of December 31, 2014 and 2013 . . . . F-68

Combined Statements of Comprehensive Income for the years ended December 31, 2014 and 2013 . . . . F-69

Combined Statements of Changes in Stockholders' Equity for the years ended December 31, 2014 and 2013 . . . . F-70

Combined Statements of Cash Flows for the years ended December 31, 2014 and 2013 . . . . . . F-71

Notes to Combined Financial Statements F-72

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended). The Company's system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of the inherent limitations, a system of internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2014. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control—Integrated Framework (2013)*. Based on its assessment, management has concluded that, as of December 31, 2014, the Company's internal control over financial reporting was effective based on those criteria.

The scope of management's assessment of the effectiveness of internal control over financial reporting includes all of the Company's consolidated operations except for the operations of Mivisa, which the Company acquired through a purchase business combination during the year ended December 31, 2014. Mivisa represents approximately 5% of the Company's consolidated revenues for the year ended December 31, 2014 and 11% of the Company's consolidated total assets as of December 31, 2014.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2014 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Crown Holdings, Inc.:

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Crown Holdings, Inc. and its subsidiaries at December 31, 2014 and December 31, 2013, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control—Integrated Framework* (*2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As described in Management's Report on Internal Control over Financial Reporting, management has excluded Mivisa Envases, S.A.U. ("Mivisa") from its assessment of internal control over financial reporting as of December 31, 2014 because it was acquired by the Company in a purchase business combination during 2014. We have also excluded Mivisa from our audit of internal control over financial reporting. Mivisa is a wholly-owned subsidiary whose total assets and total revenues represent $1.1 billion and $488 million, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2014.

/s/ PricewaterhouseCoopers LLP
Philadelphia, PA
March 2, 2015

CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions except per share data)

For the Years Ended December 31	2014	2013	2012
Net sales	$9,097	$8,656	$8,470
Cost of products sold, excluding depreciation and amortization	7,525	7,180	7,013
Depreciation and amortization	190	134	180
Gross profit	1,382	1,342	1,277
Selling and administrative expense	398	425	382
Provision for asbestos	45	32	35
Restructuring and other	129	34	—
Loss from early extinguishments of debt	34	41	—
Interest expense	253	236	226
Interest income	(7)	(5)	(7)
Foreign exchange	14	3	(1)
Income before income taxes and equity earnings	516	576	642
Provision for / (benefit from) income taxes	41	148	(17)
Equity earnings in affiliates	—	—	5
Net income	475	428	664
Net income attributable to noncontrolling interests	(88)	(104)	(105)
Net income attributable to Crown Holdings	$ 387	$ 324	$ 559
Earnings per common share attributable to Crown Holdings:			
Basic	$ 2.82	$ 2.32	$ 3.83
Diluted	$ 2.79	$ 2.30	$ 3.77

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

For the Years Ended December 31	2014	2013	2012
Net income	$ 475	$ 428	$ 664
Other comprehensive income / (loss), net of tax			
Foreign currency translation adjustments	(323)	(10)	76
Pension and other postretirement benefits	47	126	(135)
Derivatives qualifying as hedges	25	(17)	40
Total other comprehensive income / (loss)	(251)	99	(19)
Total comprehensive income	224	527	645
Net income attributable to noncontrolling interests	(88)	(104)	(105)
Translation adjustments attributable to noncontrolling interests	1		(1)
Derivatives qualifying as hedges attributable to noncontrolling interests	(2)	2	(4)
Comprehensive income attributable to Crown Holdings	$ 135	$ 425	$ 535

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

December 31	2014	2013
Assets		
Current assets		
Cash and cash equivalents	$ 965	$ 689
Receivables, net	1,031	1,064
Inventories	1,324	1,213
Prepaid expenses and other current assets	256	214
Assets held for sale	48	—
Total current assets	3,624	3,180
Goodwill and intangible assets	2,926	2,040
Property, plant and equipment, net	2,437	2,152
Other non-current assets	721	658
Total	$ 9,708	$ 8,030
Liabilities and equity		
Current liabilities		
Short-term debt	$ 75	$ 279
Current maturities of long-term debt	177	94
Accounts payable and accrued liabilities	2,651	2,547
Liabilities related to assets held for sale	23	—
Total current liabilities	2,926	2,920
Long-term debt, excluding current maturities	5,007	3,469
Postretirement and pension liabilities	871	891
Other non-current liabilities	517	461
Commitments and contingent liabilities *(Note N)*		
Equity		
Noncontrolling interests	268	285
Preferred stock, authorized: 30,000,000; none issued (Note P)	—	—
Common stock, par value: $5.00; authorized: 500,000,000 shares; issued: 185,744,072 shares (Note P)	929	929
Additional paid-in capital	407	431
Accumulated earnings	1,782	1,395
Accumulated other comprehensive loss	(2,765)	(2,513)
Treasury stock at par value (2014—46,743,601 shares; 2013—47,536,183 shares)	(234)	(238)
Crown Holdings shareholders' equity	119	4
Total equity	387	289
Total	$ 9,708	$ 8,030

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)

For the Years Ended December 31	2014	2013	2012
Cash flows from operating activities			
Net income	$ 475	$ 428	664
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	190	134	180
Restructuring and other	129	34	—
Provision for bad debts	—	41	—
Pension expense	56	75	97
Pension contributions	(81)	(84)	(102)
Stock-based compensation	22	21	18
Deferred income taxes	(83)	50	(101)
Changes in assets and liabilities:			
Receivables	45	(51)	(113)
Inventories	(62)	(45)	21
Accounts payable and accrued liabilities	219	246	(6)
Other, net	2	36	(37)
Net cash provided by operating activities	912	885	621
Cash flows from investing activities			
Capital expenditures	(328)	(275)	(324)
Insurance proceeds	—	8	48
Acquisition of businesses, net of cash acquired	(733)	(16)	(78)
Proceeds from sale of businesses, net of cash sold	22	10	—
Proceeds from sale of property, plant and equipment	16	29	3
Other	2	(2)	(11)
Net cash used for investing activities	(1,021)	(246)	(362)
Cash flows from financing activities			
Proceeds from long-term debt	2,742	1,083	110
Payments of long-term debt	(1,752)	(1,022)	(66)
Net change in revolving credit facility and short-term debt	(319)	18	28
Debt issue costs	(41)	(32)	—
Common stock issued	14	21	15
Common stock repurchased	(2)	(300)	(257)
Purchase of noncontrolling interests	(93)	(16)	(4)
Dividends paid to noncontrolling interests	(77)	(78)	(79)
Other	(27)	20	(1)
Net cash provided by/(used for) financing activities	445	(306)	(254)
Effect of exchange rate changes on cash and cash equivalents	(60)	6	3
Net change in cash and cash equivalents	276	339	8
Cash and cash equivalents at January 1	689	350	342
Cash and cash equivalents at December 31	$ 965	$ 689	$ 350

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(in millions)

	Crown Holdings, Inc. Shareholders' Equity							
	Common Stock	Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Crown Equity	Noncontrolling Interests	Total
Balance at January 1, 2012	$ 929	$ 863	$ 512	$ (2,590)	$ (187)	$ (473)	$ 234	$(239)
Net income			559			559	105	664
Other comprehensive income / (loss)				(24)		(24)	5	(19)
Dividends paid to noncontrolling interests							(79)	(79)
Contribution from noncontrolling interests							17	17
Acquisition of business							7	7
Restricted stock awarded		(2)			2			
Stock-based compensation		18				18		18
Common stock issued		11			6	17		17
Common stock repurchased		(222)			(35)	(257)		(257)
Balance at December 31, 2012	$ 929	$ 668	$ 1,071	$ (2,614)	$ (214)	$ (160)	$ 289	$ 129
Net income			324			324	104	428
Other comprehensive income / (loss)				101		101	(2)	99
Dividends paid to noncontrolling interests							(93)	(93)
Restricted stock awarded		(6)			6			
Stock-based compensation		21				21		21
Common stock issued		16			5	21		21
Common stock repurchased		(265)			(35)	(300)		(300)
Purchase of noncontrolling interests		(3)				(3)	(13)	(16)
Balance at December 31, 2013	$ 929	$ 431	$ 1,395	$ (2,513)	$ (238)	$ 4	$ 285	$ 289
Net income			387			387	88	475
Other comprehensive income / (loss)				(252)		(252)	1	(251)
Dividends paid to noncontrolling interests							(62)	(62)
Stock-based compensation		22				22		22
Common stock issued		10			4	14		14
Common stock repurchased		(2)				(2)		(2)
Purchase of noncontrolling interests		(54)				(54)	(44)	(98)
Balance at December 31, 2014	$ 929	$ 407	$ 1,782	$ (2,765)	$ (234)	$ 119	$ 268	$ 387

The accompanying notes are an integral part of these consolidated financial statements.

A. Summary of Significant Accounting Policies

Business and Principles of Consolidation. The consolidated financial statements include the accounts of Crown Holdings, Inc. (the "Company") and its consolidated subsidiary companies (where the context requires, the "Company" shall include reference to the Company and its consolidated subsidiary companies).

The Company manufactures and sells metal containers, metal closures, and canmaking equipment. These products are manufactured in the Company's plants both within and outside the U.S. and are sold through the Company's sales organization to the soft drink, food, citrus, brewing, household products, personal care and various other industries. The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America and reflect management's estimates and assumptions. Actual results could differ from those estimates, impacting reported results of operations and financial position. All intercompany accounts and transactions are eliminated in consolidation. In deciding which entities should be reported on a consolidated basis, the Company first determines whether the entity is a variable interest entity ("VIE"). If an entity is a VIE, the Company determines whether it is the primary beneficiary. If an entity is not a VIE, the Company consolidates those entities in which it has control, including certain subsidiaries that are not majority-owned. Certain of the Company's agreements with noncontrolling interests contain provisions in which the Company would surrender certain decision-making rights upon a change in control of the Company. Accordingly, consolidation of these operations may no longer be appropriate subsequent to a change in control of the Company, as defined in the agreements. Investments in companies in which the Company does not have control, but has the ability to exercise significant influence over operating and financial policies, are accounted for by the equity method. Investments in securities where the Company does not have the ability to exercise significant influence over operating and financial policies, and whose fair value is readily determinable such as those listed on a securities exchange, are referred to as "available for sale securities" and reported at their fair value with unrealized gains and losses reported in accumulated other comprehensive income in equity. Other investments are carried at cost.

Foreign Currency Translation. For non-U.S. subsidiaries which operate in a local currency environment, assets and liabilities are translated into U.S. dollars at year-end exchange rates. Income, expense and cash flow items are translated at average exchange rates prevailing during the year. Translation adjustments for these subsidiaries are accumulated as a separate component of accumulated other comprehensive income in equity. For non-U.S. subsidiaries that use a U.S. dollar functional currency, local currency inventories and property, plant and equipment are translated into U.S. dollars at approximate rates prevailing when acquired; all other assets and liabilities are translated at year-end exchange rates. Inventories charged to cost of sales and depreciation are remeasured at historical rates; all other income and expense items are translated at average exchange rates prevailing during the year. Gains and losses which result from remeasurement are included in earnings.

Revenue Recognition. Revenue is recognized from product sales when the goods are shipped and the title and risk of loss pass to the customer. Provisions for discounts and rebates to customers, returns, and other adjustments are estimated and provided for in the period that the related sales are recorded. Taxes collected from customers and remitted to governmental authorities are excluded from net sales. Shipping and handling fees and costs from product sales are reported as cost of products sold.

Stock-Based Compensation. The Company has stock-based employee compensation plans that are currently comprised of fixed stock option grants and restricted and deferred stock awards. Compensation expense is recognized over the vesting period on a straight-line basis using the grant date fair value of the award and the estimated number of awards that are expected to vest. The Company's plans provide for stock awards which may include accelerated vesting upon retirement, disability, or death of eligible employees. The Company considers a stock-based award to be vested when the service period is no longer contingent on the employee providing future service. Accordingly, the related compensation cost is recognized immediately for awards granted to retirement-eligible individuals or over the period from the grant date to the date that retirement eligibility is achieved, if less than the stated vesting period.

Cash and Cash Equivalents. Cash equivalents represent investments with maturities of three months or less from the time of purchase and are carried at cost, which approximates fair value because of the short maturity of those instruments. Outstanding checks in excess of funds on deposit are included in accounts payable.

Accounts Receivable and Allowance for Doubtful Accounts. Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the best estimate of the amount of probable credit losses in the existing accounts receivable. The allowance is determined based on a review of individual accounts for collectability, generally focusing on those accounts that are past due or experiencing financial difficulties. The current year expense to adjust the allowance for doubtful accounts is recorded within selling and administrative expense in the consolidated statements of operations.

The Company uses receivables securitization facilities in the normal course of business as part of managing its cash flows. The Company derecognizes receivables sold and recognizes any deferred purchase price in prepaid expenses and other current assets in the Company's Consolidated Balance Sheet. The deferred purchase price receivable is reduced as collections of the underlying receivables occur; however, as this is a revolving program, the sale of new receivables will result in an increase in the deferred purchase price receivable. The net change in the deferred purchase price receivable is reflected in the receivables line item on the Company's Consolidated Statement of Cash Flows. This activity is reflected as an operating cash flow because the related customer receivables are the result of an operating activity with an insignificant, short-term interest rate risk.

Collections from customers on securitized or factored receivables and related fees and costs are included in operating activities in the Consolidated Statements of Cash Flows. Proceeds and repayments related to securitization or factoring transactions that do not qualify for sale accounting are included in financing activities in the Consolidated Statements of Cash Flows.

Inventory Valuation. Inventories are stated at the lower of cost or market, with cost for U.S. inventories principally determined under the first-in, first-out ("FIFO") method and for non-U.S. inventories under the FIFO or average cost method.

Property, Plant and Equipment. Property, plant and equipment ("PP&E") is carried at cost less accumulated depreciation and includes expenditures for new facilities and equipment and those costs which substantially increase the useful lives or capacity of existing PP&E. Cost of constructed assets includes capitalized interest incurred during the construction and development period. Maintenance and repairs, including labor and material costs for planned major maintenance such as annual production line overhauls, are expensed as incurred. When PP&E is retired or otherwise disposed, the net carrying amount is eliminated with any gain or loss on disposition recognized in earnings at that time.

Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets described below (in years). The Company periodically reviews the estimated useful lives of its PP&E and, where appropriate, changes are made prospectively.

Land improvements	25
Buildings and Building Improvements	25 – 40
Machinery and Equipment	3 – 18

The Company, with the assistance of a third party appraiser, completed an evaluation of the estimated useful lives of its two-piece and three-piece canmaking equipment. As a result, effective January 1, 2013, the company adjusted the estimated useful lives of its canmaking equipment to reflect its current estimate of the useful lives. As a result of this change, for the year ended December 31, 2013, depreciation and amortization was lower by $49 and net income higher by $36 or $0.26 per diluted share compared to 2012.

Goodwill and Intangible Assets. Goodwill is carried at cost and reviewed for impairment in the fourth quarter of each year or when facts and circumstances indicate goodwill may be impaired. Goodwill was allocated to the reporting units at the time of the acquisition based on the relative fair values of the reporting units. In assessing goodwill for impairment, the Company may first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the Company determines that an impairment is more likely than not, it will perform the two-step quantitative impairment test using a combination of market values for comparable businesses and discounted cash flow projections compared to the reporting unit's carrying value including goodwill. If the carrying value of a reporting unit exceeds its fair value, any impairment loss is measured by comparing the carrying value of the reporting unit's goodwill to its implied fair value.

Definite-lived intangible assets are tested for impairment, when facts and circumstances indicate the carrying value may not be recoverable from its undiscounted cash flows. If impaired, are written down to fair value based on either discounted cash flows or appraised values.

Impairment or Disposal of Long-Lived Assets. In the event that facts and circumstances indicate that the carrying value of long-lived assets, primarily PP&E and certain identifiable intangible assets with finite lives, may be impaired, the Company performs a recoverability evaluation. If the evaluation indicates that the carrying value of an asset is not recoverable from its undiscounted cash flows, an impairment loss is measured by comparing the carrying value of the asset to its fair value, based on discounted cash flows. Long-lived assets classified as held for sale are presented in the balance sheet at the lower of their carrying value or fair value less cost to sell.

Taxes on Income. The provision for income taxes is determined using the asset and liability approach. Deferred taxes represent the future expected tax consequences of differences between the financial reporting and tax bases of assets and liabilities based upon enacted tax rates and laws. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Investment tax credits are accounted for using the deferral method.

The with-and-without approach is used to account for utilization of windfall tax benefits arising from the Company's stock-based compensation plans and only the direct impact of awards is considered when calculating the amount of windfalls or shortfalls. Income tax-related interest is reported as interest expense and penalties are reported as income tax expense.

Derivatives and Hedging. All outstanding derivative financial instruments are recognized in the balance sheet at their fair values. The impact on earnings from recognizing the fair values of these instruments depends on their intended use, their hedge designation and their effectiveness in offsetting changes in the fair values of the exposures they are hedging. Changes in the fair values of instruments designated to reduce or eliminate adverse fluctuations in the fair values of recognized assets and liabilities are reported currently in earnings along with changes in the fair values of the hedged items. Changes in the effective portions of the fair values of instruments used to reduce or eliminate adverse fluctuations in cash flows of anticipated or forecasted transactions are reported in equity as a component of accumulated other comprehensive income. Amounts in accumulated other comprehensive income are reclassified to earnings when the related hedged items impact earnings or the anticipated transactions are no longer probable. Changes in the fair values of derivative instruments that are not designated as hedges or do not qualify for hedge accounting treatment are reported currently in earnings. Amounts reported in earnings are classified consistent with the item being hedged.

The effectiveness of derivative instruments in reducing risks associated with the hedged exposures is assessed at inception and on an ongoing basis. Any amounts excluded from the assessment of hedge effectiveness, and any ineffective portion of designated hedges, are reported currently in earnings. Time value, a component of an instrument's fair value, is excluded in assessing effectiveness for fair value hedges, except hedges of firm commitments, and included for cash flow hedges.

Hedge accounting is discontinued prospectively when (i) the instrument is no longer effective in offsetting changes in fair value or cash flows of the underlying hedged item, (ii) the instrument expires, is sold, terminated or exercised, or (iii) designating the instrument as a hedge is no longer appropriate.

The Company formally documents all relationships between its hedging instruments and hedged items at inception, including its risk management objective and strategy for establishing various hedge relationships. Cash flows from hedging instruments are classified in the Consolidated Statements of Cash Flows consistent with the items being hedged.

Treasury Stock. Treasury stock is reported at par value. The excess of fair value over par value is first charged to paid-in capital, if any, and then to retained earnings.

Research and Development. Research, development and engineering costs of $39, $36 and $43 in 2014, 2013 and 2012 were expensed as incurred and reported in selling and administrative expense in the Consolidated Statements of Operations. Substantially all engineering and development costs are related to developing new products or designing significant improvements to existing products or processes. Costs primarily include employee salaries and benefits and facility costs.

Reclassifications. Certain reclassifications of prior years' data have been made to conform to the current year presentation.

Recent Accounting and Reporting Pronouncements.

Recently Adopted Accounting Standards

In the first quarter of 2014, the Company adopted changes to the guidance on a parent's accounting for cumulative translation adjustments upon derecognition of certain subsidiaries or groups of assets within a foreign entity or of an investment in a foreign entity. The changes primarily clarified existing guidance regarding when cumulative translation adjustments should be released into earnings upon the occurrence of various events. The change did not impact the Company's financial statements in 2014.

Recently Issued Accounting Standards

In April 2014, the FASB issued changes to the definition of a discontinued operation to include only disposals that represent a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The guidance, which will be effective for the Company on January 1, 2015, applies prospectively to new disposals and new classifications of disposal groups as held for sale after the effective date.

In May 2014, the FASB issued new guidance related to how an entity should recognize revenue. The guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. In addition, the guidance expands the required disclosures related to revenue and cash flows from contracts with customers. The guidance is effective for the Company beginning in the first quarter of 2017. Early adoption is not permitted and retrospective application is permitted, but not required. The Company is currently evaluating the impact of adopting this guidance on its financial position and results of operations.

B. Acquisitions

Mivisa

On April 23, 2014 , the Company completed its previously announced acquisition of the sole shareholder of Mivisa Envases, S.A.U. ("Mivisa") for $733, net of $28 in cash acquired, plus $977 of debt assumed. Mivisa, based in Murcia, Spain, primarily serves the vegetable, fruit, fish and meat markets and is the largest food can producer in both the Iberian Peninsula and Morocco. The acquisition is expected to significantly build upon the Company's existing position in the strategically important European food can market by substantially increasing the Company's presence in Spain, one of Europe's leading agricultural economies.

The following table summarizes the consideration transferred to acquire Mivisa and the identifiable assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred	
Cash	$ 733
Total consideration	$ 733
Recognized amounts of identifiable assets acquired and liabilities assumed:	
Receivables, net	205
Inventories	197
Prepaid expenses and other current assets	11
Intangible assets	295
Property, plant and equipment, net	313
Net assets of acquired business to be divested	9
Accounts payable and accrued liabilities	(153)
Debt	(977)
Other non-current liabilities	(98)
Total identifiable net assets	$(198)
Goodwill	$ 931

All of the goodwill was assigned to the Company's European Food segment and is not expected to be deductible for tax purposes.

The fair value of the assets acquired includes receivables of $205. The gross contractual amount due is $227 of which $22 is expected to be uncollectible.

The acquired property, plant and equipment will be depreciated on a straight-line basis over the estimated remaining useful lives of the equipment in accordance with the Company's existing policies and procedures.

Intangible assets include $14 of acquired trademarks that were fully amortized in 2014 and $281 of customer relationships that will be amortized over 13 years.

The Company has not finalized its valuation of the assets acquired and as a result has not yet finalized the determination of the fair value of assets acquired and liabilities assumed. The Company expects to finalize its purchase accounting within one year of the acquisition date.

Mivisa's results of operations have been included in the Company's financial statements for the period subsequent to the completion of the acquisition on April 23, 2014. Mivisa contributed sales of approximately $488 and net income attributable to Crown Holdings of $16 for the period from the completion of the acquisition through December 31, 2014.

The following unaudited supplemental pro-forma data presents consolidated information as if the acquisition had been completed on January 1, 2013. These amounts were calculated after conversion to US GAAP, applying the Company's accounting policies and adjusting Mivisa's results to reflect the additional depreciation and amortization that would have been charged assuming the fair value of property, plant and equipment, inventory and intangible assets had been applied from January 1, 2013, together with the consequential tax effects. These adjustments also reflect interest expense incurred on the debt to finance the acquisition and related transaction costs.

	Pro-forma for the year ended December 31,	
	2014	2013
Net sales	$ 9,275	$ 9,380
Net income attributable to Crown Holdings	407	338

The unaudited supplemental pro-forma financial information is based on the Company's preliminary assignment of purchase price and therefore subject to adjustment upon finalizing the purchase price assignment. Pro-forma results excludes the potential realization of cost savings relating to the integration of the two companies and the impact of divestitures required to obtain regulatory approval for the transaction. Further, the pro-forma data should not be considered indicative of the results that would have occurred if the acquisition and related financing had been consummated on January 1, 2013, nor are they indicative of future results.

Other Acquisitions

In 2013, the Company paid $16 to acquire a food can production business in Turkey with $13 of the purchase price allocated to fixed assets and $3 to goodwill.

In 2012, the Company completed the following acquisitions:

The Company established and consolidated a joint venture to acquire shares of Superior Multi-Packaging, Ltd., ("Superior") a listed company on the Singapore exchange with operations in China, Singapore and Vietnam through a tender offer. The Company's partner in the joint venture contributed its existing shares in Superior to the joint venture and the Company paid $20 to acquire additional shares.

Although the price paid to acquire the public shares of Superior was at a premium to its then trading price, the fair value of the assets acquired and liabilities assumed exceeded the fair value of the consideration transferred. As a result, the Company recognized a bargain purchase gain of $20 included in restructuring and other in the consolidated statements of operations. Net income attributable to noncontrolling interests included $11 of bargain purchase gain allocated to the Company's joint venture partner.

The Company believes that the acquisition resulted in a gain because Superior has underperformed in recent years. Consequently, the Company reassessed the recognition and measurement of the assets acquired and liabilities assumed and concluded that its purchase price allocation was appropriate.

The Company paid $38 to acquire a beverage can and end production business in Vietnam. The purchase price was allocated entirely to fixed assets.

The Company paid $29 to acquire a food can production business in the U.S. The purchase price was allocated $25 to customer contracts, $3 to fixed assets and $1 to inventory.

C. Subsequent Event

On February 18, 2015, the Company completed its acquisition of Empaque, a leading manufacturer of beverage packaging in Mexico, from Heineken N.V., in a cash transaction valued at $1.2 billion, subject to adjustment. Empaque, headquartered in Monterrey, Mexico, currently operates two beverage can plants, a plant that manufacturers beverage can ends, aluminum closures and bottle caps, a glass bottle plant, a glass service facility and a sand mine in Mexico.

To finance the acquisition, the Company borrowed $75 of additional Term Loan A and $675 of Term Loan B. The remaining financing came from borrowings under the Company's existing credit facility and cash on hand. The interest rate on the Term Loan A facility is LIBOR plus 1.75% and the maturity is in December 2018. The interest rate on the Term Loan B facility is LIBOR plus 3.25% , with a LIBOR floor of 0.75%, and the maturity is in October 2021.

D. Accumulated Other Comprehensive Loss Attributable to Crown Holdings

The following table provides information about the changes in each component of accumulated other comprehensive income for the years ended December 31, 2014 and 2013.

	Defined Benefit Plans	Foreign Currency Translation	Gains and Losses on Cash Flow Hedges	Total
Balance at December 31, 2012	$(1,954)	$ (648)	$ (12)	$(2,614)
Other comprehensive income (loss) before reclassifications	60	(8)	(49)	3
Amounts reclassified from accumulated other comprehensive income	66	(2)	34	98
Other comprehensive income (loss)	126	(10)	(15)	101
Balance at December 31, 2013	(1,828)	(658)	(27)	(2,513)
Other comprehensive income (loss) before reclassifications	(9)	(322)	6	(325)
Amounts reclassified from accumulated other comprehensive income	56	—	17	73
Other comprehensive income (loss)	47	(322)	23	(252)
Balance at December 31, 2014	$(1,781)	$ (980)	$ (4)	$(2,765)

The following table provides information about the amounts reclassified out of accumulated other comprehensive income in 2014 and 2013.

Details about Accumulated Other Comprehensive Income Components	Amount Reclassified from Accumulated Other Comprehensive Income 2014	2013	Affected Line Item in the Statement of Operations
Gains and losses on cash flow hedges			
Commodities	$ 21	$ 43	Cost of products sold
	21	43	Total before tax
	(6)	(11)	Provision for income taxes
	15	32	Net of tax
Foreign exchange	(2)	9	Net sales
	4	(7)	Cost of products sold
	2	2	Total before tax
	—	—	Provision for income taxes
	2	2	Net of tax
Total gains and losses on cash flow hedges	$ 17	$ 34	
Foreign currency translation			
	$ —	$ (2)	Asset impairments and sales
	—	(2)	Total before tax
	—	—	Provision for income taxes
	$ —	$ (2)	Net of tax
Amortization of defined benefit plan items			
Actuarial losses	$ 119	$ 136	(a)
Prior service credit	(49)	(52)	(a)
	70	84	Total before tax
	(14)	(18)	Provision for income taxes
	$ 56	$ 66	Net of tax
Total reclassifications	$ 73	$ 98	Net of tax

(a) These accumulated other comprehensive income components are included in the computation of net period pension and postretirement cost. See Note V for further details.

E. Receivables

	2014	2013
Accounts receivable	$ 940	$ 962
Less: allowance for doubtful accounts	(88)	(78)
Net trade receivables	852	884
Miscellaneous receivables	179	180
	$1,031	$1,064

The Company uses receivables securitization facilities in the normal course of business as part of managing its cash flows. In North America, the Company has a $200 securitization facility that matures in December 2015. In Europe, the Company has a €130 ($157 at December 31, 2014) securitization facility that matures in December 2019. During 2014, the Company amended its securitization facilities to provide for the sale of certain customer receivables without recourse on a revolving basis. The Company determined that prior to these amendments transactions under these facilities did not qualify for sale accounting and had therefore accounted for these transactions as secured borrowings with the receivables and associated liabilities recognized in the Company's Consolidated Balance Sheet.

In addition, the Company uses receivables factoring arrangements in the normal course of business as part of managing its cash flows. Under these arrangements, the Company sells its entire interest in specified receivables to various third parties. Where the Company has surrendered control over factored receivables, the Company has accounted for the transfers as sales.

The Company's continuing involvement in factored receivables accounted for as sales is limited to servicing the receivables. The Company receives adequate compensation for servicing the receivables and no servicing asset or liability is recorded.

At December 31, amounts securitized or factored are as follows:

	2014	2013
Accounted for as secured borrowings	$ 19	$233
Accounted for as sales	615	348

As of December 31, 2014, the Company recognized a deferred purchase price of $76 which was included in prepaid expenses and other current assets in the Company's Consolidated Balance Sheet related to receivables sold under its North America securitization facility.

In 2014, 2013 and 2012, the Company recorded expenses related to securitization and factoring facilities of $12, $10 and $8 as interest expense.

F. Inventories

	2014	2013
Raw materials and supplies	$ 684	$ 645
Work in process	134	128
Finished goods	506	440
	$1,324	$1,213

G. Goodwill and Intangible Assets

Changes in the carrying amount of goodwill by reportable segment for the years ended December 31, 2014 and 2013 are as follows:

	Americas Beverage	North America Food	European Beverage	European Food	Non-reportable Segments	Total
Balance at December 31, 2012	$ 428	$ 164	$ 678	$ 574	$ 154	$1,998
Foreign currency translation	(4)	(6)	2	22	4	18
Balance at December 31, 2013	424	158	680	596	158	2,016
Foreign currency translation	(4)	(6)	(57)	(180)	(12)	(259)
Goodwill acquired	—	—	—	934	—	934
Disposals	—	—	—	(3)	(17)	(20)
Balance at December 31, 2014	$ 420	$ 152	$ 623	$ 1,347	$ 129	$2,671

In 2014, goodwill acquired relates to the acquisition of Mivisa as discussed in Note B. Disposals primarily relate to amounts allocated to the portion of the Company's European Specialty Packaging business which was classified as held for sale at December 31, 2014. See Note O for more information.

The carrying amount of goodwill at December 31, 2014, 2013 and 2012 was net of the following accumulated amortization:

	Americas Beverage	North America Food	European Beverage	European Food	Non-reportable Segments	Total
Accumulated amortization	$ 29	$ —	$ 73	$ 724	$ 150	$976

Gross carrying amounts and accumulated amortization of finite-lived intangible assets by major class at December 31 are:

	2014			2013		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Customer relationships	$271	$ (18)	$253	$ 25	$ (3)	$ 22
Trademarks	12	(12)	—	—	—	—
	$283	$ (30)	$253	$ 25	$ (3)	$ 22

The table above excludes other intangible assets with a net balance of $2 at December 31, 2014 and December 31, 2013.

Amortization expense for the years ended December 31, 2014, 2013, and 2012 was $31, $3 and $1.

Annual amortization expense for each of the five years subsequent to 2014 is estimated to be $21.

H. Property, Plant and Equipment

	2014	2013
Buildings and improvements	$ 1,016	$ 942
Machinery and equipment	4,704	4,768
Land and improvements	154	143
Construction in progress	158	172
	6,032	6,025
Less: accumulated depreciation and amortization	(3,595)	(3,873)
	$ 2,437	$ 2,152

I. Other Non-Current Assets

	2014	2013
Deferred taxes	$565	$488
Debt issue costs	76	54
Investments	5	20
Other	75	96
	$721	$658

J. Accounts Payable and Accrued Liabilities

	2014	2013
Trade accounts payable	$1,881	$1,768
Salaries, wages and other employee benefits, including pension and postretirement	169	164
Accrued taxes, other than on income	108	118
Restructuring	44	60
Accrued interest	64	68
Fair value of derivatives	45	58
Asbestos liabilities	30	28
Income taxes payable	24	19
Deferred taxes	11	30
Other	275	234
	$2,651	$2,547

K. Other Non-Current Liabilities

	2014	2013
Asbestos liabilities	$245	$232
Postemployment benefits	29	28
Income taxes payable	17	22
Deferred taxes	96	31
Environmental	12	12
Fair value of derivatives	—	2
Other	118	134
	$517	$461

Income taxes payable includes uncertain tax positions as discussed in Note W.

L. Lease Commitments

The Company leases manufacturing, warehouse and office facilities and certain equipment. Certain of the leases contain renewal or purchase options, but the leases do not contain significant contingent rental payments, escalation clauses, rent holidays, rent concessions or leasehold improvement incentives. Under long-term operating leases, minimum annual rentals are $50 in 2014, $38 in 2015, $27 in 2016, $13 in 2017, $7 in 2018 and $47 thereafter. Such rental commitments have been reduced by minimum sublease rentals of $9 due under non-cancelable subleases. Rental expense (net of sublease rental income) was $60, $65 and $63 in 2014, 2013 and 2012. The Company did not have any significant capital leases at December 31, 2014.

M. Asbestos-Related Liabilities

Crown Cork & Seal Company, Inc. (“Crown Cork”) is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. These claims arose from the insulation operations of a U.S. company, the majority of whose stock Crown Cork purchased in 1963. Approximately ninety days after the stock purchase, this U.S. company sold its insulation assets and was later merged into Crown Cork.

Prior to 1998, amounts paid to asbestos claimants were covered by a fund made available to Crown Cork under a 1985 settlement with carriers insuring Crown Cork through 1976, when Crown Cork became self-insured. The fund was depleted in 1998 and the Company has no remaining coverage for asbestos-related costs.

In recent years, the states of Alabama, Arizona, Florida, Georgia, Idaho, Indiana, Kansas, Michigan, Mississippi, Nebraska, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Utah, Wisconsin and Wyoming enacted legislation that limits asbestos-related liabilities under state law of companies such as Crown Cork that allegedly incurred these liabilities because they are successors by corporate merger to companies that had been involved with asbestos. The legislation, which applies to future and, with the exception of Georgia, South Carolina, South Dakota and Wyoming, pending claims at the time of enactment, caps asbestos-related liabilities at the fair market value of the predecessor's total gross assets adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the total value of its predecessor's assets adjusted for inflation. Crown Cork has integrated the legislation into its claims defense strategy. The Company cautions, however, that the legislation may be challenged and there can be no assurance regarding the ultimate effect of the legislation on Crown Cork.

In June 2003, the State of Texas enacted legislation that limits the asbestos-related liabilities in Texas courts of companies such as Crown Cork that allegedly incurred these liabilities because they are successors by corporate merger to companies that had been involved with asbestos. The Texas legislation, which applies to future claims and pending claims, caps asbestos-related liabilities at the total gross value of the predecessor's assets adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the total adjusted value of its predecessor's assets.

On October 22, 2010, the Texas Supreme Court, in a 6-2 decision, reversed a lower court decision, Barbara Robinson v. Crown Cork & Seal Company, Inc., No. 14-04-00658-CV, Fourteenth Court of Appeals, Texas, which had upheld the dismissal of an asbestos-related case against Crown Cork. The Texas Supreme Court held that the Texas legislation was unconstitutional under the Texas Constitution when applied to asbestos-related claims pending against Crown Cork when the legislation was enacted in June of 2003. The Company believes that the decision of the Texas Supreme Court is limited to retroactive application of the Texas legislation to asbestos-related cases that were pending against Crown Cork in Texas on June 11, 2003 and therefore, in its accrual, continues to assign no value to claims filed after June 11, 2003.

In December 2001, the Commonwealth of Pennsylvania enacted legislation that limits the asbestos-related liabilities of Pennsylvania corporations that are successors by corporate merger to companies involved with asbestos. The legislation limits the successor's liability for asbestos to the acquired company's asset value adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the acquired company's adjusted asset value. In November 2004, the legislation was amended to address a Pennsylvania Supreme Court decision (Ieropoli v. AC&S Corporation, et. al., No. 117 EM 2002) which held that the statute violated the Pennsylvania Constitution due to retroactive application. The Company cautions that the limitations of the statute, as amended, are subject to litigation and may not be upheld.

The Company further cautions that an adverse ruling in any litigation relating to the constitutionality or applicability to Crown Cork of one or more statutes that limits the asbestos-related liability of alleged defendants like Crown Cork could have a material impact on the Company.

The Company's approximate claims activity for the years ended 2014, 2013 and 2012 was as follows:

	2014	2013	2012
Beginning claims	53,000	51,000	50,000
New claims	3,000	4,000	3,000
Settlements or dismissals	(2,000)	(2,000)	(2,000)
Ending claims	54,000	53,000	51,000

The Company's cash payments during the years ended 2014, 2013, and 2012 were as follows:

	2014	2013	2012
Asbestos-related payments	$30	$28	$28
Settled claims payments (included in asbestos-related payments above)	21	21	20

In the fourth quarter of each year, the Company performs an analysis of outstanding claims and categorizes by year of exposure and state filed. As of December 31, 2014 and December 31, 2013, the Company's outstanding claims are:

	2014	2013
Claimants alleging first exposure after 1964	16,000	16,000
Claimants alleging first exposure before or during 1964 filed in:		
Texas	13,000	13,000
Pennsylvania	2,000	2,000
Other states that have enacted asbestos legislation	6,000	6,000
Other states	17,000	16,000
Total claims outstanding	54,000	53,000

The outstanding claims in each period exclude approximately 19,000 inactive claims. Due to the passage of time, the Company considers it unlikely that the plaintiffs in these cases will pursue further action against the Company. The exclusion of these inactive claims had no effect on the calculation of the Company's accrual as the claims were filed in states, as described above, where the Company's liability is limited by statute.

With respect to claimants alleging first exposure to asbestos before or during 1964, the Company does not include in its accrual any amounts for settlements in states where the Company's liability is limited by statute except for certain pending claims in Texas as described earlier.

With respect to post-1964 claims, regardless of the existence of asbestos legislation, the Company does not include in its accrual any amounts for settlement of these claims because of increased difficulty of establishing identification of relevant insulation products as the cause of injury. Given its settlement experience with post-1964 claims, the Company does not believe that an adverse ruling in the Texas or Pennsylvania asbestos litigation cases, or in any other state that has enacted asbestos legislation, would have a material impact on the Company with respect to such claims.

As of December 31, the percentage of outstanding claims related to claimants alleging serious diseases (primarily mesothelioma and other malignancies) are as follows:

	2014	2013	2012
Total claims	22%	21%	19%
Pre-1964 claims in states without asbestos legislation	41%	39%	36%

Crown Cork has entered into arrangements with plaintiffs' counsel in certain jurisdictions with respect to claims which are not yet filed, or asserted, against it. However, Crown Cork expects claims under these arrangements to be filed or asserted against Crown Cork in the future. The projected value of these claims is included in the Company's estimated liability as of December 31, 2014.

As of December 31, 2014, the Company's accrual for pending and future asbestos-related claims and related legal costs was $275, including $231 for unasserted claims. The Company's accrual includes estimated probable costs for claims through the year 2024. The Company's accrual excludes potential costs for claims beyond 2024 because the Company believes that the key assumptions underlying its accrual are subject to greater uncertainty as the projection period lengthens.

Approximately 88% of the claims outstanding at the end of 2014 were filed by plaintiffs who do not claim a specific amount of damages or claim a minimum amount as established by court rules relating to jurisdiction; approximately 11% were filed by plaintiffs who claim damages of less than $5; approximately 1% were filed by plaintiffs who claim damages from $5 to less than $100 (86% of whom claim damages less than $25) and 3 were filed by plaintiffs who claim damages in excess of $100.

It is reasonably possible that the actual loss could be in excess of the Company's accrual. However, the Company is unable to estimate the reasonably possible loss in excess of its accrual due to uncertainty in the following assumptions that underlie the Company's accrual and the possibility of losses in excess of such accrual: the amount of damages sought by the claimant, the Company and claimant's willingness to negotiate a settlement, the terms of settlements of other defendants with asbestos-related liabilities, the bankruptcy filings of other defendants (which may result in additional claims and higher settlements for non-bankrupt defendants), the nature of pending and future claims (including the seriousness of alleged disease, whether claimants allege first exposure to asbestos before or during 1964 and the claimant's ability to demonstrate the alleged link to Crown Cork), the volatility of the litigation environment, the defense strategies available to the Company, the level of future claims, the rate of receipt of claims, the jurisdiction in which claims are filed, and the effect of state asbestos legislation (including the validity and applicability of the Pennsylvania legislation to non-Pennsylvania jurisdictions, where the substantial majority of the Company's asbestos cases are filed).

N. Commitments and Contingent Liabilities

The Company, along with others in most cases, has been identified by the EPA or a comparable state environmental agency as a Potentially Responsible Party ("PRP") at a number of sites and has recorded aggregate accruals of $7 for its share of estimated future remediation costs at these sites. The Company has been identified as having either directly or indirectly disposed of commercial or industrial waste at the sites subject to the accrual, and where appropriate and supported by available information, generally has agreed to be responsible for a percentage of future remediation costs based on an estimated volume of materials disposed in proportion to the total materials disposed at each site. The Company has not had monetary sanctions imposed nor has the Company been notified of any potential monetary sanctions at any of the sites.

The Company has also recorded aggregate accruals of $6 for remediation activities at various worldwide locations that are owned by the Company and for which the Company is not a member of a PRP group. Although the Company believes its accruals are adequate to cover its portion of future remediation costs, there can be no assurance that the ultimate payments will not exceed the amount of the Company's accruals and will not have a material effect on its results of operations, financial position and cash flow. Any possible loss or range of potential loss that may be incurred in excess of the recorded accruals cannot be estimated.

The Company and its subsidiaries are also subject to various other lawsuits and claims with respect to labor, environmental, securities, vendor and other matters arising out of the Company's normal course of business. While the impact on future financial results is not subject to reasonable estimation because considerable uncertainty exists, management believes that the ultimate liabilities resulting from such lawsuits and claims will not materially affect the Company's consolidated earnings, financial position or cash flow.

The Company has various commitments to purchase materials, supplies and utilities as part of the ordinary conduct of business. The Company's basic raw materials for its products are steel and aluminum, both of which are purchased from multiple sources. The Company is subject to fluctuations in the cost of these raw materials and has periodically adjusted its selling prices to reflect these movements. There can be no assurance, however, that the Company will be able to fully recover any increases or fluctuations in raw material costs from its customers. The Company also has commitments for standby letters of credit and for purchases of capital assets.

At December 31, 2014, the Company was party to certain indemnification agreements covering environmental remediation, lease payments and other potential costs associated with properties sold or businesses divested. For agreements with defined liability limits the maximum potential amount of future liability was $5. The Company accrues for costs related to these items when it is probable that a liability has been incurred and the amount can be reasonably estimated. At December 31, 2014, the Company also had guarantees of $31 related to the residual values of leased assets.

O. Restructuring and Other

The Company recorded restructuring and other charges as follows:

	2014	2013	2012
Asset impairments and sales	$ 70	$(12)	$(48)
Restructuring	21	46	48
Transaction costs	17	—	—
Other costs	21	—	—
	$129	$ 34	$—

In 2014, asset impairments and sales included $44 related to the divestment of certain operations in connection with the Company's acquisition of Mivisa and $24 related to the planned divestment of certain operations in the Company's European Specialty Packaging business, which is expected to close in early 2015 . Transaction costs included costs in connection with the Company's acquisitions of Mivisa and Empaque. Other costs primarily included incremental costs associated with the temporary relocation of production due to an ongoing labor dispute in the Company's Americas Beverage segment.

In 2013, asset impairments and sales included a gain of $9 related to the sale of land and a building in Belgium.

In 2012, asset impairments and sales included gains of $31 related to insurance proceeds received for property damage incurred in the 2011 flooding of the Company's beverage can plant in Thailand and $20 related to the acquisition of Superior Multi-Packaging, Ltd., as described in Note B.

The components of the assets and liabilities classified as held for sale at December 31, 2014 related to the European Specialty Packaging business discussed above are as follows:

Receivables, net	$ 10
Inventories	17
Goodwill and intangible assets	17
Property, plant and equipment, net	28
Reserve for impairment	(24)
Total assets held for sale	48
Accounts payable and accrued liabilities	18
Postretirement and pension liabilities	3
Other non-current-liabilities	2
Total liabilities related to assets held for sale	$ 23

Restructuring charges by segment are as follows:

	2014	2013	2012
North America Food	$ 10	$ 5	$ 3
European Food	8	14	15
European Beverage	—	2	—
Asia Pacific	—	1	4
Non-reportable segments	3	16	18
Corporate	—	8	8
	$ 21	$ 46	$ 48

Restructuring charges by type are as follows:

	2014	2013	2012
Termination benefits	$ 8	$ 35	$ 35
Other exit costs	13	11	13
	$ 21	$ 46	$ 48

In 2014, other exit costs include $8 of pension settlements charges in connection with prior restructuring actions in the Company's North America Food segment. Termination benefits of $8 relate to severance costs in the Company's European Food segment as further described below.

2011 European Division Headquarters Relocation

As of December 31, 2014, the Company incurred costs of $40 which are expected to be the total costs related to the relocation of its European Division headquarters and management to Switzerland in order to benefit from a more centralized management location.

The following table summarizes the restructuring accrual balances and utilization by cost type for the relocation:

	Termination benefits	Other exit costs	Total
Balance at December 31, 2012	$ —	$ 22	$ 22
Provisions	—	3	3
Payments	—	(7)	(7)
Balance at December 31, 2013	—	18	18
Payments	—	(8)	(8)
Foreign currency translation	—	(2)	(2)
Balance at December 31, 2014	$ —	$ 8	$ 8

Other exit costs represent employee compensation costs resulting from an intercompany payment related to the relocation. The Company expects to pay the remaining costs in 2015.

2011 and 2012 European Division Actions

Through December 31, 2014, the Company incurred costs of $69 in connection with actions taken in 2011 and 2012 to reduce manufacturing capacity and headcount in its European Aerosol and Specialty Packaging business. These actions combined are expected to reduce headcount by approximately 474 and to eliminate approximately 20% of the business' capacity. Due to the similar nature of these actions, the Company has combined them in the rollforward presented below. The Company currently expects to incur future additional charges of $2 related to the actions which are expected to be completed in 2015 at an estimated aggregate cost of $71. The Company expects to pay the liability through 2024 as certain employees have elected to receive payment as a fixed monthly sum over 11 years. The Company continues to review its supply and demand profile and long-term plans in Europe and it is possible that the Company may record additional restructuring charges in the future. The table below summarizes the restructuring accrual balances and utilization by cost type for this action.

	Termination benefits	Other exit costs	Total
Balance at December 31, 2012	$ 37	$ —	$ 37
Provisions	—	4	4
Payments	(20)	(4)	(24)
Foreign currency translation	(1)	—	(1)
Balance at December 31, 2013	16	—	16
Provisions		2	2
Payments	(4)	(2)	(6)
Foreign currency translation	(1)		(1)
Balance at December 31, 2014	$ 11	$ —	$ 11

2013 European Division Actions

Through December 31, 2014, the Company incurred costs of $31 related to a cost-reduction initiative to better align costs with ongoing market conditions in its European operations, primarily in its Food, Aerosol and Specialty Packaging businesses. The action is expected to result in the reduction of approximately 205 employees. The Company expects to pay the remaining liability in 2015 and does not expect to incur any additional charges related to this action.

The table below summarizes the restructuring accrual balances and utilization by cost type for this action.

	Termination benefits	Other exit costs	Total
Balance at December 31, 2012	$ —	$ —	$ —
Provisions	31	—	31
Payments	(5)	—	(5)
Foreign currency translation	1	—	1
Balance at December 31, 2013	27	—	27
Payments	(11)	—	(11)
Foreign currency translation	(2)	—	(2)
Balance at December 31, 2014	$ 14	$ —	$ 14

2014 European Division Actions

In 2014, the Company recorded a charge of $8 related to severance costs in connection with the planned closure of a manufacturing facility in its European Food segment. The action is expected to result in the reduction of approximately 100 employees when completed in 2015. The Company does not expect to incur any additional charges related to this action.

	Termination benefits	Other exit costs	Total
Balance at December 31, 2013	$ —	$ —	$ —
Provisions	8	—	8
Balance at December 31, 2014	$ 8	$ —	$ 8

P. Capital Stock

A summary of common share activity for the years ended December 31 is as follows (in shares):

	2014	2013	2012
Common shares outstanding at January 1	138,207,889	143,136,473	148,449,293
Shares repurchased	(36,702)	(6,925,789)	(6,954,968)
Shares issued upon exercise of employee stock options	744,431	855,061	1,143,755
Restricted stock issued to employees, net of forfeitures	60,933	1,115,484	468,323
Shares issued to non-employee directors	23,920	26,660	30,070
Common shares outstanding at December 31	139,000,471	138,207,889	143,136,473

The Board of Directors has the authority to issue, at any time or from time to time, up to 30 million shares of preferred stock and has authority to fix the designations, number and voting rights, preferences, privileges, limitations, restrictions, conversion rights and other special or relative rights, if any, of any class or series of any class of preferred stock that may be desired, provided the shares of any such class or series of preferred stock shall not be entitled to more than one vote per share when voting as a class with holders of the Company's common stock.

The Company's ability to pay dividends and repurchase its common stock is limited by certain restrictions in its debt agreements. These restrictions are subject to a number of exceptions, however, allowing the Company to make otherwise restricted payments. The amount of restricted payments permitted to be made, including dividends and repurchases of the Company's common stock, may be limited to the cumulative excess of $200 plus 50% of adjusted net income plus proceeds from the exercise of employee stock options over the aggregate of restricted payments made since July 2004. Adjustments to net income may include, but are not limited to, items such as asset impairments, and gains and losses from asset sales and early extinguishments of debt.

Q. Stock-Based Compensation

The Company's shareholder-approved stock-based incentive compensation plans provide for the granting of awards in the form of stock options, deferred stock, restricted stock or stock appreciation rights ("SARs"). The awards may be subject to the achievement of certain performance goals, generally based on market conditions, as determined by the Plan Committee designated by the Company's Board of Directors. There have been no awards of SARs. At December 31, 2014, there were 4.9 million authorized shares available for future awards.

Stock-based compensation expense was as follows:

	2014	2013	2012
Stock options	$ —	$ 1	$ 5
Restricted stock/deferred stock	22	20	12

Stock Options

At December 31, 2014 and 2013 there were 944,622 and 1,695,053 options outstanding with a weighted average exercise price of $24.98 and $21.20. There were no stock options granted in 2014, 2013 and 2012. The aggregate intrinsic value of options exercised during the years ended December 31, 2014, 2013 and 2012 was $12, $17 and $27.

At December 31, 2014 options outstanding had an aggregate intrinsic value of $24 and a weighted-average remaining contractual term of 2.5 years. At December 31, 2014, there was approximately $1 of unrecognized compensation expense.

The Company has assumed an annual forfeiture rate of 5.5%.

Restricted and Deferred Stock

Annually the Company awards shares of restricted stock to certain senior executives in the form of time-vested restricted stock and performance-based shares. The time-vested restricted stock vests ratably over three years. The performance-based shares cliff vest at the end of three years. The number of performance-based shares that will ultimately vest is based on the level of performance achieved, ranging between 0% and 200% of the shares originally awarded and will be settled in shares of common stock. The market performance criteria is the Company's Total Shareholder Return ("TSR"), which includes share price appreciation and dividends paid, during the three-year term of the award measured against the TSR of a peer group of companies. Participants who terminate employment because of retirement, disability or death receive accelerated vesting of their time-vested awards to the date of termination. However, restrictions will lapse on performance-based awards, if at all, on the original vesting date.

The Company also issue shares of time-vesting restricted stock and deferred stock to U.S. and non-U.S. employees which vest ratably up to four years commencing one year after the grant date.

A summary of restricted and deferred stock activity follows:

	Number of shares
Non-vested shares outstanding at January 1, 2014	2,042,272
Awarded:	
Time-vesting	181,294
Performance-based	174,481
Released:	
Time-vesting shares	(109,784)
Forfeitures:	
Time-vesting	(89,885)
Performance-based	(238,021)
Non-vested shares outstanding at December 31, 2014	1,960,357

The average grant-date fair value of restricted stock awarded in 2014, 2013 and 2012 follows:

	2014	2013	2012
Time-vested restricted stock	$45.62	$43.19	$33.75
Performance-based shares	48.31	36.75	39.52
Deferred stock	49.49	43.79	

The fair values of the performance-based shares awarded were calculated using a Monte Carlo valuation model and the following weighted average assumptions:

	2014	2013	2012
Risk-free interest rate	0.8%	0.3%	0.4%
Expected term (years)	3	3	3
Expected stock price volatility	21.5%	22.4%	27.8%

At December 31, 2014, unrecognized compensation cost related to outstanding restricted and deferred stock was $42. The weighted average period over which the expense is expected to be recognized is 2.6 years for restricted stock and 3.4 years for deferred stock. The aggregate market value of the shares released and issued on the vesting dates was $5.

The Company maintains a Stock-Based Compensation Plan for Non-Employee Directors. Under the plan a portion of the non-employee directors' quarterly compensation is provided in the form of restricted stock. During 2014, $1 of stock-based compensation was recognized under this plan.

R. Debt

	2014	2013
Short-term debt		
Receivables securitization	$ —	$ 205
Bank loans/overdrafts/factoring	75	74
Total short-term debt	$ 75	$ 279
Long-term debt		
Senior secured borrowings:		
Revolving credit facilities	$ —	$ 103
Term loan facilities		
U.S. dollar at LIBOR plus 1.75% due 2018	800	220
Euro (€700 at December 31, 2014) at EURIBOR plus 1.75% due 2018	847	151
Farm credit facility at LIBOR plus 2.00% due 2019	358	
Senior notes and debentures:		
Euro (€500 at December 31, 2014) 7.125% due 2018	—	688
U.S. dollar 6.25% due 2021	700	700
Euro (€650 at December 31, 2014) 4.0% due 2022	786	—
U. S. dollar 4.50% due 2023	1,000	1,000
U.S. dollar 7.375% due 2026	350	350
U.S. dollar 7.50% due 2096	64	64
Other indebtedness in various currencies		
Fixed rate with rates in 2014 from 1.0% to 8.5% due through 2020	211	180
Variable rate with average rates in 2014 from 2.2% to 5.4% due through 2018	70	109
Unamortized discounts	(2)	(2)
Total long-term debt	5,184	3,563
Less: current maturities	(177)	(94)
Total long-term debt, less current maturities	$5,007	$3,469

The estimated fair value of the Company's long-term borrowings, using a market approach incorporating level 2 inputs such as quoted market prices for the same or similar issues, was $5,346 at December 31, 2014 and $3,645 at December 31, 2013.

The revolving credit facilities include provisions for letters of credit up to $210 that reduce the amount of borrowing capacity otherwise available. At December 31, 2014, the Company's available borrowing capacity under the credit facilities was $1,160, equal to the facilities' aggregate capacity of $1,200 less $40 of outstanding letters of credit. The interest rate on the facilities can vary from LIBOR or EURIBOR plus a margin of 1.50% up to 2.00% based on the Company's total net leverage ratio. The term loans bear interest of LIBOR or EURIBOR plus 1.75% and the farm credit facility bears interest of LIBOR plus 2.00%. The revolving credit facilities and term loans contain financial covenants including an interest coverage ratio and a total net leverage ratio.

The weighted average interest rates were as follows:

	2014	2013	2012
Short-term debt	2.7%	1.9%	1.9%
Revolving credit facilities	4.4%	3.6%	3.5%

Aggregate maturities of long-term debt for the five years subsequent to 2014, excluding unamortized discounts, are $177, $231, $295, $1,188 and $363, respectively. Cash payments for interest during 2014, 2013 and 2012 were $231, $199 and $205.

2014 Activity

In April 2014, to fund the acquisition of Mivisa as described in Note B, repay certain of Mivisa's existing debt and pay transaction costs, the Company borrowed $580 under its U.S. dollar term loan facility, €590 ($714 at December 31, 2014) under its euro term loan facility and $362 under a farm credit facility.

In July 2014, the Company issued €650 ($786 at December 31, 2014) principal amount of 4% senior unsecured notes due 2022. The notes were issued at par by Crown European Holdings S.A., a subsidiary of the Company, and are unconditionally guaranteed by the Company and certain of its subsidiaries. The Company used a portion of the proceeds to purchase through a tender offer and to redeem all of its outstanding senior notes due 2018. In connection with the repurchase and redemption of the 2018 notes, the Company recorded a loss from early extinguishment of debt of approximately $34 including $28 for premiums paid and $6 for the write off of deferred financing fees.

2013 Activity

In January 2013, the Company issued $1,000 principal amount of 4.5% senior unsecured notes due 2023. In connection with the issuance, the Company redeemed all of its outstanding $400 senior notes due 2017 and repaid $500 of indebtedness under its senior secured term loan facilities.

In December 2013, the Company entered into a new credit agreement to provide financing for its acquisition of Mivisa as described in Note B.

In connection with the above transactions, the Company recorded a loss from early extinguishment of debt of $41, including $23 for premiums paid, $12 for the write off of deferred financing fees and $6 for the write off of unamortized discounts.

S. Derivative and Other Financial Instruments

Fair Value Measurements

Under US GAAP a framework exists for measuring fair value, providing a three-tier hierarchy of pricing inputs used to report assets and liabilities that are adjusted to fair value. Level 1 includes inputs such as quoted prices which are available in active markets for identical assets or liabilities as of the report date. Level 2 includes inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 3 includes unobservable pricing inputs that are not corroborated by market data or other objective sources. The Company has no items valued using Level 3 inputs other than certain pension plan assets.

The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities measured at fair value and their placement within the fair value hierarchy.

The Company applies a market approach to value its commodity price hedge contracts. Prices from observable markets are used to develop the fair value of these financial instruments and they are reported under Level 1. The Company uses an income approach to value its foreign exchange forward contracts. These contracts are valued using a discounted cash flow model that calculates the present value of future cash flows under the terms of the contracts using market information as of the reporting date, such as foreign exchange spot and forward rates, and are reported under Level 2 of the fair value hierarchy.

Fair value disclosures for financial assets and liabilities that were accounted for at fair value on a recurring basis are provided later in this note. In addition, see Note R for fair value disclosures related to debt.

Derivative Financial Instruments

In the normal course of business the Company is subject to risk from adverse fluctuations in currency exchange rates, interest rates and commodity prices. The Company manages these risks through a program that includes the use of derivative financial instruments, primarily swaps and forwards. Counterparties to these contracts are major financial institutions. The Company is exposed to credit loss in the event of nonperformance by these counterparties. The Company does not use derivative instruments for trading or speculative purposes.

The Company's objective in managing exposure to market risk is to limit the impact on earnings and cash flow. The extent to which the Company uses such instruments is dependent upon its access to these contracts in the financial markets and its success using other methods, such as netting exposures in the same currencies to mitigate foreign exchange risk and using sales agreements that permit the pass-through of commodity price and foreign exchange rate risk to customers.

For derivative financial instruments accounted for in hedging relationships, the Company formally designates and documents, at inception, the financial instrument as a hedge of a specific underlying exposure, the risk management objective and the manner in which effectiveness will be assessed. The Company formally assesses, both at inception and at least quarterly thereafter, whether the hedging relationships are effective in offsetting changes in fair value or cash flows of the related underlying exposures. Any ineffective portion of the change in fair value of the instruments is recognized immediately in earnings.

Cash Flow Hedges

The Company designates certain derivative financial instruments as cash flow hedges. No components of the hedging instruments are excluded from the assessment of hedge effectiveness. Changes in fair value of outstanding derivatives accounted for as cash flow hedges, except any ineffective portion, are recorded in other comprehensive income until earnings are impacted by the hedged transaction. Classification of the gain or loss in the Consolidated Statements of Operations upon release from comprehensive income is the same as that of the underlying exposure. Contracts outstanding at December 31, 2014 mature between one and twenty-two months.

When the Company discontinues hedge accounting because it is no longer probable that an anticipated transaction will occur in the originally specified period, changes to fair value accumulated in other comprehensive income are recognized immediately in earnings.

The Company uses commodity forwards to hedge anticipated purchases of various commodities, including aluminum, fuel oil and natural gas and these exposures are hedged by a central treasury unit.

The Company also designates certain foreign exchange contracts as cash flow hedges of anticipated foreign currency denominated sales or purchases. The Company manages these risks at the operating unit level. Often the hedging of foreign currency risk is performed in concert with related commodity price hedges.

The following table sets forth financial information about the impact on Accumulated Other Comprehensive Income ("AOCI") and earnings from changes in fair value related to derivative instruments.

Derivatives in cash flow hedges	Amount of gain/(loss) recognized in AOCI (effective portion)		Amount of gain/(loss) reclassified from AOCI into earnings	
	2014	2013	2014	2013
Foreign exchange	$ 4	$ (5)	$ (2)	$ (2)[(1)]
Commodities	2	(44)	(15)	(32)[(2)]
Total	$ 6	$ (49)	$ (17)	$ (34)

(1) In 2014, a loss of $4 was recognized in cost of products sold and a gain of $2 was recognized in net sales. In 2013, a gain of $7 was recognized in cost of products sold and a loss of $9 was recognized in net sales.

(2) In 2014, a loss of $21, including $1 of ineffectiveness, was recognized in cost of products sold and a tax benefit of $6 was recognized in income tax expense. In 2013, a loss of $43, including $2 of ineffectiveness, was recognized in cost of products sold and a tax benefit of $11 was recognized in income tax expense.

For the twelve-month period ending December 31, 2015, a net loss of $8 ($6, net of tax) is expected to be reclassified to earnings. No amounts were reclassified during the twelve months ended December 31, 2014 and 2013 in connection with anticipated transactions that were no longer considered probable.

Fair Value Hedges and Contracts Not Designated as Hedges

The Company designates certain derivative financial instruments as fair value hedges of recognized foreign-denominated assets and liabilities, generally trade accounts receivable and payable and unrecognized firm commitments. The notional values and maturity dates of the derivative instruments coincide with those of the hedged items. Changes in fair value of the derivative financial instruments, excluding time value, are offset by changes in fair value of the related hedged items.

Other than for firm commitments, amounts related to time value are excluded from the assessment and measurement of hedge effectiveness and are reported in earnings. Less than $1 was reported in earnings for the twelve months ended December 31, 2014.

Certain derivative financial instruments, including foreign exchange contracts related to intercompany debt, were not designated or did not qualify for hedge accounting; however, they are effective economic hedges as the changes in their fair value, except for time value, are offset by changes in re-measurement of the related hedged items. The Company's primary use of these derivative instruments is to offset the earnings impact that fluctuations in foreign exchange rates have on certain monetary assets and liabilities denominated in nonfunctional currencies. Changes in fair value of these derivative instruments are immediately recognized in earnings as foreign exchange adjustments.

The impact on earnings from foreign exchange contracts designated as fair value hedges was a loss of $7 for the twelve months ended December 31, 2014 and a gain of less than $1 for the twelve months ended December 31, 2013 . The impact on earnings from foreign exchange contracts not designated as hedges was a loss of $53 for the twelve months ended December 31, 2014 and a gain of $4 for the same period in 2013. These adjustments were reported within translation and foreign exchange in the Consolidated Statements of Operations and were offset by changes in the fair values of the related hedged item.

Fair Values of Derivative Financial Instruments and Valuation Hierarchy

The following table sets forth the fair value hierarchy for the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2014 and December 31, 2013.

Derivative Assets	Balance Sheet Classification	Fair Value Hierarchy	December 31, 2014	December 31, 2013
Derivatives designated as hedges:				
Foreign exchange	Other current assets	2	$ 20	$ 29
Commodities	Other current assets	1	2	—
Commodities	Other non-current assets	1	—	—
Derivatives not designated as hedges:				
Foreign exchange	Other current assets	2	—	8
Total			$ 22	$ 37
Derivative Liabilities				
Derivatives designated as hedges:				
Foreign exchange	Accounts payable and accrued liabilities	2	$ 20	$ 30
Commodities	Accounts payable and accrued liabilities	1	10	27
Commodities	Other non-current liabilities	1	—	2
Derivatives not designated as hedges:				
Foreign exchange	Accounts payable and accrued liabilities	2	15	1
Total			$ 45	$ 60

Offsetting of Derivative Assets and Liabilities

Certain derivative financial instruments are subject to agreements with counterparties similar to master netting arrangements and are eligible for offset. The Company has made an accounting policy election not to offset the fair values of these instruments within the statement of financial position. In the table below, the aggregate fair values of the the Company's derivative assets and liabilities are presented on both a gross and net basis, where appropriate.

	Gross Amounts Recognized in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet	Net Amount
Balance at December 31, 2014			
Derivative assets	$ 22	$ 4	$ 18
Derivative liabilities	45	4	41
Balance at December 31, 2013			
Derivative assets	$ 37	$ 2	$ 35
Derivative liabilities	60	2	58

Notional Values of Outstanding Derivative Instruments

The aggregate U.S. dollar-equivalent notional values of outstanding derivative instruments in the Consolidated Balance Sheets at December 31, 2014 and December 31, 2013 are:

	December 31, 2014	December 31, 2013
Derivatives in cash flow hedges:		
Foreign exchange	$ 678	$ 724
Commodities	213	379
Derivatives in fair value hedges:		
Foreign exchange	85	128
Derivatives not designated as hedges:		
Foreign exchange	603	675

T. Noncontrolling Interests

In 2014, the Company paid an aggregate of $93 to buyout the ownership interests of its partner in certain non-wholly owned subsidiaries in the Middle East.

In 2013, the Company paid an aggregate of $16 to increase its ownership interests in certain non-wholly owned subsidiaries in Asia.

The accounting guidance requires changes in noncontrolling interests that do not result in a change of control and where there is a difference between fair value and carrying value to be accounted for as equity transactions. The effect on net income attributable to the Company had the purchases of noncontrolling interests been recorded through net income is as follows:

	2014	2013	2012
Net income attributable to Crown Holdings	$ 387	$ 324	$ 559
Transfers to noncontrolling interests—decrease in paid-in-capital for purchase of noncontrolling interests	(54)	(3)	—
Net income attributable to Crown Holdings after transfers to noncontrolling interests	$ 333	$ 321	$ 559

U. Earnings Per Share

The following table summarizes the basic and diluted earnings per share (EPS) attributable to Crown Holdings. Basic EPS excludes all potentially dilutive securities and is computed by dividing net income attributable to Crown Holdings by the weighted average number of common shares outstanding during the period. Diluted EPS includes the effect of stock options and restricted stock as calculated under the treasury stock method.

	2014	2013	2012
Net income attributable to Crown Holdings	$ 387	$ 324	$ 559
Weighted average shares outstanding:			
Basic	137.2	139.5	146.1
Add: dilutive stock options and restricted stock	1.3	1.2	2.3
Diluted	138.5	140.7	148.4
Basic EPS	$ 2.82	$ 2.32	$ 3.83
Diluted EPS	$ 2.79	$ 2.30	$ 3.77
Contingently issuable shares excluded from the computation of diluted earnings per share because the effect would have been anti-dilutive	—	0.1	0.1

For purposes of calculating assumed proceeds under the treasury stock method when determining the diluted weighted average shares outstanding, the Company excludes the impact of windfall tax benefits unless the deduction reduces taxes payable.

V. Pension and Other Postretirement Benefits

Pensions. The Company sponsors various pension plans covering certain U.S. and non-U.S. employees, and participates in certain multi-employer pension plans. The benefits under the Company plans are based primarily on years of service and either the employees' remuneration near retirement or a fixed dollar multiple.

A measurement date of December 31 was used for all plans presented below.

The components of pension expense were as follows:

U.S. Plans	2014	2013	2012
Service cost	$ 13	$ 15	$ 12
Interest cost	66	62	69
Expected return on plan assets	(104)	(99)	(94)
Amortization of actuarial loss	41	55	56
Amortization of prior service cost	—	1	—
Net periodic cost	$ 16	$ 34	$ 43

Non-U.S. Plans	2014	2013	2012
Service cost	$ 23	$ 24	$ 26
Interest cost	154	138	153
Expected return on plan assets	(194)	(176)	(186)
Settlements	—	(2)	—
Amortization of actuarial loss	73	71	61
Amortization of prior service cost	(16)	(14)	—
Net periodic cost	$ 40	$ 41	$ 54

The non-U.S. pension expense excludes $8 of cost attributable to plan curtailments and settlements that was recorded in restructuring expense in 2014, partially offset by $2 related to the divestment of certain operations in connection with the Company's acquisition of Mivisa.

Additional pension expense of $5 was recognized in each of 2014, 2013 and 2012 for multi-employer plans.

The projected benefit obligations, accumulated benefit obligations, plan assets and funded status of the Company's U.S. and non-U.S. plans is as follows:

	U.S. Plans		Non-U.S. Plans	
	2014	2013	2014	2013
Projected Benefit Obligations				
Benefit obligations at January 1	$1,454	$1,609	$3,651	$3,572
Service cost	13	15	23	24
Interest cost	66	62	154	138
Plan participants' contributions	—	—	4	4
Amendments	3	2	(3)	(1)
Settlements	—	—	(17)	—
Actuarial (gain) / loss	170	(122)	384	46
Benefits paid	(105)	(112)	(191)	(189)
Foreign currency translation	—	—	(255)	57
Benefit obligations at December 31	$1,601	$1,454	$3,750	$3,651
Plan Assets				
Fair value of plan assets at January 1	$1,349	$1,292	$3,135	$3,116
Actual return on plan assets	54	162	623	85
Employer contributions	2	7	80	77
Plan participants' contributions	—	—	4	4
Settlements	—	—	(17)	—
Benefits paid	(105)	(112)	(191)	(189)
Foreign currency translation	—	—	(224)	42
Fair value of plan assets at December 31	$1,300	$1,349	$3,410	$3,135
Funded Status	$ (301)	$ (105)	$ (340)	$ (516)
Accumulated benefit obligations at December 31	$1,557	$1,423	$3,630	$3,488

Information for pension plans with accumulated benefit obligations in excess of plan assets is as follows:

	2014	2013
U.S. Plans		
Projected benefit obligations	$1,601	$1,454
Accumulated benefit obligations	1,557	1,423
Fair value of plan assets	1,300	1,349

	2014	2013
Non-U.S. Plans		
Projected benefit obligations	$3,444	$3,318
Accumulated benefit obligations	3,350	3,187
Fair value of plan assets	3,116	2,800

The Company's investment strategy in its U.S. plan is designed to generate returns that are consistent with providing benefits to plan participants within the risk tolerance of the plan. Asset allocation is the primary determinant of return levels and investment risk exposure. The assets of the plan are broadly diversified in terms of securities and security types in order to limit the potential of large losses from any one security.

The strategic ranges for asset allocation in the U.S. plan are as follows:

U.S. equities	30% to 40%
International equities	10% to 15%
Fixed income	13% to 23%
Balanced funds	15% to 25%
Real estate	3% to 7%
Private equity	3% to 7%
Hedge funds	2% to 7%

The Company's investment strategy in its U.K. plan, the largest non-U.S. plan, is designed to achieve a funding level of 100% within the next 15 years by targeting an expected return of 2.0% annually in excess of the expected growth in the liabilities. The Company seeks to achieve this return with a risk level commensurate with a 5% chance of the funding level falling between 5% and 9% in any one year. The strategic ranges for asset allocation in the U.K. plan are as follows:

Investment grade credit	40% to 80%
Equities	0% to 30%
Hedge funds	0% to 10%
Real estate	0% to 5%
Private equity	0% to 15%
Emerging market wealth	0% to 15%
Alternative credit	0% to 15%
Other	0% to 5%

Pension assets are classified into three levels. Level 1 asset values are derived from quoted prices which are available in active markets as of the report date. Level 2 asset values are derived from other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the report date. Level 3 asset values are derived from unobservable pricing inputs that are not corroborated by market data or other objective sources.

Equity securities are valued at the latest quoted prices taken from the primary exchange on which the security trades. Mutual funds are valued at the net asset value (NAV) of shares held at year-end. Fixed income securities, including government issued debt, corporate debt and asset-backed and structured debt securities are valued using market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and other reference data including market research publications. Derivatives, which consist mainly of interest rate swaps, are valued using a discounted cash flow pricing model based on observable market data. Investment funds, hedge funds and private equity funds are valued at the NAV at year-end. The values assigned to private equity funds are based upon assessments of each underlying investment, incorporating valuations that consider the evaluation of financing and sale transactions with third parties, expected cash flows and market-based information, including comparable transactions, and performance multiples among other factors. Real estate investments are based on third party appraisals.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and their placement within the fair value hierarchy.

The levels assigned to the defined benefit plan assets as of December 31, 2014 and 2013 are summarized in the tables below:

	2014		
	U.S. plan assets	Non-U.S. plan assets	Total
Level 1			
Cash and cash equivalents	$ 66	$ 67	$ 133
Global large cap equity	—	38	38
U.S. large cap equity	187	26	213
U.S. mid/small cap equity	251	19	270
Mutual funds—global equity	174	—	174
Mutual funds—U.S. equity	83	—	83
Mutual funds—fixed income	145	—	145
	906	150	1,056
Level 2			
Government issued debt securities	35	553	588
Corporate debt securities	81	75	156
Asset backed securities	17	8	25
Structured debt	—	722	722
Insurance contracts	—	12	12
Derivatives	—	195	195
Investment funds—fixed income	60	527	587
Investment funds—global equity	24	377	401
Investment funds—emerging markets	29	112	141
	246	2,581	2,827
Level 3			
Investment funds—real estate	57	108	165
Hedge funds	42	260	302
Private equity	30	303	333
Real estate—direct	17	4	21
	146	675	821
Total	$ 1,298	$ 3,406	$ 4,704

	2013		
	U.S. plan assets	Non-U.S. plan assets	Total
Level 1			
Cash and cash equivalents	$ 68	$ 125	$ 193
Global large cap equity	—	76	76
U.S. large cap equity	170	50	220
U.S. mid/small cap equity	257	16	273
Mutual funds—global equity	214	—	214
Mutual funds—U.S. equity	93	—	93
Mutual funds—fixed income	147	—	147
	949	267	1,216
Level 2			
Government issued debt securities	50	504	554
Corporate debt securities	103	133	236
Asset backed securities	11	7	18
Structured debt	2	685	687
Insurance contracts	—	12	12
Derivatives	—	64	64
Investment funds—fixed income	16	442	458
Investment funds—global equity	—	317	317
Investment funds—emerging markets	40	157	197
	222	2,321	2,543
Level 3			
Investment funds—real estate	47	88	135
Hedge funds	75	150	225
Private equity	37	298	335
Real estate—direct	17	5	22
	176	541	717
Total	$ 1,347	$ 3,129	$ 4,476

Accrued income excluded from the table above is as follows:

	2014	2013
U.S. plan assets	$ 2	$ 2
Non-U.S. plan assets	4	6

Plan assets include $171 and $150 of the Company's common stock at December 31, 2014 and 2013.

The following tables reconcile the beginning and ending balances of plan assets measured using significant unobservable inputs (Level 3).

	Hedge funds	Private equity	Real estate	Total
Balance at January 1, 2013	$ 214	$ 369	$ 151	$ 734
Foreign currency translation	3	7	1	11
Asset returns—assets held at reporting date	8	(11)	7	4
Asset returns—assets sold during the period	7	43	1	51
Purchases, sales and settlements, net	(7)	(73)	(3)	(83)
Balance at December 31, 2013	225	335	157	717
Foreign currency translation	(9)	(18)	(6)	(33)
Asset returns—assets held at reporting date	25	62	25	112
Asset returns—assets sold during the period	—	(5)	(4)	(9)
Purchases, sales and settlements, net	61	(41)	14	34
December 31, 2014	$ 302	$ 333	$ 186	$ 821

Pension assets and liabilities included in the Consolidated Balance Sheets are:

	2014	2013
Non-current assets	$ 13	$ 21
Current liabilities	12	7
Non-current liabilities	641	635

The Company's current liability at December 31, 2014, represents the expected required payments to be made for unfunded plans over the next twelve months. Total estimated 2015 employer contributions are $76 for the Company's pension plans.

Changes in the net loss and prior service cost/(credit) for the Company's pension plans were:

	2014		2013		2012	
	Net loss	Prior service	Net loss	Prior service	Net loss	Prior service
Balance at January 1	$2,466	$ (94)	$2,619	$(102)	$2,382	$ 4
Reclassification to net periodic benefit cost	(120)	16	(130)	13	(117)	—
Current year loss/(gain)	174	—	(47)	(1)	295	—
Amendments	—	3	—	—	—	(106)
Foreign currency translation	(97)	4	24	(4)	59	—
Balance at December 31	$2,423	$ (71)	$2,466	$ (94)	$2,619	$(102)

The estimated portions of the net losses and net prior service that are expected to be recognized as components of net periodic benefit cost / (credit) in 2015 are $103 and $(14).

Expected future benefit payments as of December 31, 2014 are:

	U.S. plans	Non-U.S. plans
2015	$ 110	$ 180
2016	136	179
2017	104	184
2018	102	188
2019	108	193
2020—2024	494	987

The weighted average actuarial assumptions used to calculate the benefit obligations at December 31 are:

	2014	2013	2012
U.S. Plans			
Discount rate	4.0%	4.8%	4.0%
Compensation increase	4.6%	3.0%	3.0%

	2014	2013	2012
Non-U.S. Plans			
Discount rate	3.4%	4.4%	4.1%
Compensation increase	2.7%	3.2%	2.8%

The weighted average actuarial assumptions used to calculate pension expense for each year were:

	2014	2013	2012
U.S. Plans			
Discount rate	4.8%	4.0%	4.8%
Compensation increase	3.0%	3.0%	3.0%
Long-term rate of return	8.0%	8.0%	8.0%

	2014	2013	2012
Non-U.S. Plans			
Discount rate	4.4%	4.1%	4.7%
Compensation increase	3.2%	2.8%	3.3%
Long-term rate of return	6.4%	6.0%	6.4%

The expected long-term rates of return are determined at each measurement date based on a review of the actual plan assets, the target allocation, and the historical returns of the capital markets.

The U.S. plan's 2014 assumed asset rate of return was based on a calculation using underlying assumed rates of return of 10.3% for equity securities and alternative investments, and 4.8% for debt securities and real estate. The rate of return used for equity securities and alternative investments was based on the total return of the S&P 500 for the 25 year period ended December 31, 2013. The Company believes that the equity securities included in the S&P 500 are representative of the equity securities and alternative investments held by its U.S. plan, and that this period provides a sufficient time horizon as a basis for estimating future returns. The rate of return used for debt securities is consistent with the U.S. plan discount rate and the return on AA corporate bonds with duration equal to the plan's liabilities. The underlying debt securities in the plan are primarily invested in various corporate and government agency securities and are benchmarked against returns on AA corporate bonds.

The U.K. plan's 2014 assumed asset rate of return was based on a calculation using underlying assumed rates of return of 10.0% for equity securities and alternative investments, and 4.4% for debt securities and real estate. Equity securities in the U.K. plan as of December 31, 2014 were allocated approximately 42% to U.S. securities, 34% to securities in developed European countries, and 24% to securities in emerging markets. The assumed rate of return for equity securities and alternative investments represents the weighted average 25 year return of equity securities in these markets. The Company believes that the equity securities included in the related market indexes are representative of the equity securities and alternative investments held by its U.K. plan, and that this period provides a sufficient time horizon as a basis for estimating future returns.

Other Postretirement Benefit Plans. The Company sponsors unfunded plans to provide health care and life insurance benefits to pensioners and survivors. Generally, the medical plans pay a stated percentage of medical expenses reduced by deductibles and other coverages. Life insurance benefits are generally provided by insurance contracts. The Company reserves the right, subject to existing agreements, to change, modify or discontinue the plans. A measurement date of December 31 was used for the plans presented below.

The components of net postretirement benefits cost are as follows:

	2014	2013	2012
Other Postretirement Benefits			
Service cost	$ 2	$ 3	$ 3
Interest cost	12	13	16
Amortization of prior service credit	(34)	(39)	(44)
Amortization of actuarial loss	6	10	14
Net periodic benefit cost	$ (14)	$ (13)	$ (11)

Changes in the benefit obligations were:

	2014	2013
Benefit obligations at January 1	$ 274	$ 352
Service cost	2	3
Interest cost	12	13
Amendments	—	(18)
Actuarial gain	(23)	(49)
Benefits paid	(19)	(22)
Foreign currency translation	(5)	(5)
Benefit obligations at December 31	$ 241	$ 274

Changes in the net loss and prior service credit for the Company's postretirement benefit plans were:

	2014		2013		2012	
	Net loss	Prior service	Net loss	Prior service	Net loss	Prior service
Balance at January 1	$ 97	$(246)	$157	$(269)	$157	$(313)
Reclassification to net periodic benefit cost	(6)	34	(10)	39	(14)	44
Current year (gain)/loss	(24)	—	(49)	—	16	—
Amendments	—	—	—	(18)	—	—
Foreign currency translation	2	1	(1)	2	(2)	—
Balance at December 31	$ 69	$(211)	$ 97	$(246)	$157	$(269)

The estimated portions of the net losses and prior service credits that are expected to be recognized as components of net periodic benefit cost/(credit) in 2015 are $5 and $(34).

In 2013, a non-U.S. plan was amended to eliminate certain health coverage benefits.

Expected future benefit payments, as of December 31, 2014, net of expected Medicare Part D subsidies of $5 in the aggregate are:

	Benefit Payments
2015	$ 19
2016	18
2017	18
2018	17
2019	17
2020—2024	78

The assumed health care cost trend rates at December 31, 2014 are as follows:

Health care cost trend rate assumed for 2015	5.8%
Rate that the cost trend rate gradually declines to	4.4%
Year that the rate reaches the rate it is assumed to remain	2020

A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One percentage point	
	Increase	Decrease
Effect on total service and interest cost	$ 1	$ 1
Effect on postretirement benefit obligation	$ 14	$ 13

Weighted average discount rates used to calculate the benefit obligations at the end of each year and the cost for each year are presented below.

	2014	2013	2012
Benefit obligations	4.0%	4.8%	4.1%
Cost	4.8%	4.1%	4.9%

Employee Savings Plan. The Company sponsors the Savings Investment Plan which covers substantially all domestic salaried employees who are at least 21 years of age. The Company matches up to 50% of 3% of a participant's compensation and the total Company contributions were $2 in each of the last three years.

Employee Stock Purchase Plan. The Company sponsors an Employee Stock Purchase Plan which covers all domestic employees with one or more years of service who are non-officers and non-highly compensated as defined by the Internal Revenue Code. Eligible participants contribute 85% of the quarter-ending market price towards the purchase of each common share. The Company's contribution is equivalent to 15% of the quarter-ending market price. Total shares purchased under the plan in 2014 and 2013 were 25,351 and 26,777 and the Company's contributions were less than $1 in both years.

W. Income Taxes

The components of income before income taxes and equity earnings were as follows:

	2014	2013	2012
U.S.	$ 78	$116	$127
Foreign	438	460	515
	$516	$576	$642

The provision for income taxes consisted of the following:

	2014	2013	2012
Current tax:			
U.S. federal	$ 11	$ 11	$ —
State and foreign	113	87	84
	$ 124	$ 98	$ 84
Deferred tax:			
U.S. federal	$ 28	$ 41	$ (131)
State and foreign	(111)	9	30
	(83)	50	(101)
Total	$ 41	$ 148	$ (17)

The provision for income taxes differs from the amount of income tax determined by applying the U.S. statutory federal income tax rate to pre-tax income as a result of the following items:

	2014	2013	2012
U.S. statutory rate at 35%	$ 181	$ 203	$ 223
Tax on foreign income	(67)	(53)	(70)
Valuation allowance	(70)	1	56
Non-deductible impairment charges	18	—	—
Tax law changes	(17)	11	2
Other items, net	(4)	(14)	(228)
Income tax provision	$ 41	$ 148	$ (17)

The other items caption in 2012 includes a benefit of $213 related to the recognition of previously unrecognized U.S. foreign tax credits and a benefit of $10 from the receipt of non-taxable insurance proceeds related to a 2011 flood in Thailand.

The Company has certain income tax incentives in Brazil which allow it pay reduced income taxes. The tax incentives expire at various dates beginning in 2018. These incentives increased net income attributable to the Company by $12 in 2014 and $11 in both 2013 and 2012.

The Company paid taxes of $109, $114 and $92 in 2014, 2013 and 2012.

The components of deferred taxes at December 31 are:

	2014		2013	
	Assets	Liabilities	Assets	Liabilities
Tax loss and credit carryforwards	$ 589	$ —	$ 640	$ —
Postretirement and postemployment benefits	97	—	107	—
Pensions	229	49	150	1
Property, plant and equipment	14	132	13	111
Intangible assets	—	58	—	—
Asbestos	103	—	98	—
Accruals and other	123	114	120	123
Valuation allowances	(245)	—	(343)	—
Total	$ 910	$ 353	$ 785	$ 235

At December 31, 2014 and 2013, $99 and $123 of deferred tax assets were included in prepaid expenses and other current assets.

Tax loss and credit carryforwards expire as follows:

Year	Amount
2015	$ 24
2016	15
2017	24
2018	32
2019	30
Thereafter	333
Unlimited	131

Tax loss and credit carryforwards expiring after 2019 include $168 of U.S. state tax loss carryforwards and $130 of U.S. federal foreign tax credits. The unlimited category includes $85 of French tax loss carryforwards. The carryforwards presented above exclude $59 of U.S. windfall tax benefits that will be recorded in additional paid-in capital when realized.

Realization of any portion of the Company's deferred tax assets is dependent upon the availability of taxable income in the relevant jurisdictions. The Company considers all sources of taxable income, including (i) taxable income in any available carry back period, (ii) the reversal of taxable temporary differences, (iii) tax-planning strategies, and (iv) taxable income expected to be generated in the future other than from reversing temporary differences. The Company also considers whether there have been cumulative losses in recent years. The Company records a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's valuation allowances at December 31, 2014 include $170 related to U.S. state loss carryforwards and $53 in Canada.

The Company continues to maintain a valuation allowance against the portion of U.S. state tax loss carryforwards that the Company does not believe are more likely than not to be utilized prior to their expiration. The Company's ability to utilize state tax loss carryforwards is impacted by several factors including taxable income, expiration dates, limitations imposed by certain states on the amount of loss carryforwards that can be used in a given year to offset taxable income and whether the state permits the Company to file a combined return.

The Company continues to maintain a full valuation allowance against its net deferred tax assets in Canada because the Company does not believe at this time that it is more likely than not that it will realize any deferred tax benefits in Canada. The Company's Canadian operations incurred a loss in 2014 and remain in a three year cumulative loss position.

In 2014, the Company recognized an income tax benefit of $86 to fully release the valuation allowance against its net deferred tax assets in France. In recent years, the Company's operating profits in France were offset by interest expense. In the third quarter of 2014, the Company refinanced its bonds issued by a French subsidiary resulting in significant interest savings. The impact of the refinancing and current low interest rate environment has significantly lowered the Company's interest expense in France. As the Company is currently generating taxable income in France and is projecting future taxable income in France, the Company has fully released its valuation allowance. Due to the Company's high level of debt in France, a significant increase in interest rates could cause the Company to incur losses which may result in recording additional valuation allowance in the future. The Company's loss carryforwards in France do not expire.

Management's estimates of the appropriate valuation allowance in any jurisdiction involve a number of assumptions and judgments, including the amount and timing of future taxable income. Should future results differ from management's estimates, it is possible there could be future adjustments to the valuation allowances that would result in an increase or decrease in tax expense in the period such changes in estimates are made.

The Company has not provided deferred taxes on $774 of earnings in certain non-U.S. subsidiaries because such earnings are indefinitely reinvested in its international operations. Upon distribution of such earnings in the form of dividends or otherwise, the Company would be subject to incremental tax. It is not practicable to estimate the amount of tax that might be payable.

A reconciliation of unrecognized tax benefits follows.

	2014	2013	2012
Balance at January 1	$ 31	$ 35	$ 37
Lapse of statute of limitations	(1)	(5)	(3)
Foreign currency translation	(4)	1	1
Balance at December 31	$ 26	$ 31	$ 35

The Company's reserves as presented primarily include potential liabilities related to transfer pricing, foreign withholding taxes, and non-deductibility of expenses and exclude $1 of penalties as of December 31, 2014. The total interest and penalties recorded in the statement of operations was less than $1 in each of the last three years. As of December 31, 2014, unrecognized tax benefits of $26, if recognized, would affect the Company's effective tax rate.

The Company's unrecognized tax benefits are not expected to increase over the next twelve months and are expected to decrease as open tax years lapse or claims are settled. The Company is unable to estimate a range of reasonably possible changes in its unrecognized tax benefits in the next twelve months as it is unable to predict when, or if, the tax authorities will commence their audits, the time needed for the audits, and the audit findings that will require settlement with the applicable tax authorities, if any.

The tax years that remained subject to examination by major tax jurisdiction as of December 31, 2014 were 2005 and subsequent years for France; 2006 and subsequent years for Spain and the U.K.; 2010 and subsequent years for Brazil, Germany and Italy; and 2011 and subsequent years for the U.S. and Canada. In addition, tax authorities in certain jurisdictions, including the U.S., may examine earlier years when tax carryforwards that were generated in those years are subsequently utilized.

X. Segment Information

The Company's business is organized geographically within three divisions, Americas, Europe and Asia Pacific. Within the Americas and European divisions, the Company has determined that it has the following reportable segments organized along a combination of product lines and geographic areas: Americas Beverage and North America Food within the Americas, and European Beverage and European Food within Europe. Within the Asia Pacific division, the Company has aggregated its beverage and non-beverage operations into a single reportable segment based on similar economic and qualitative characteristics.

Non-reportable segments include the Company's aerosol can businesses in North America and Europe, the Company's specialty packaging business in Europe and the Company's tooling and equipment operations in the U.S. and United Kingdom.

The Company evaluates performance and allocates resources based on segment income. Segment income, which is not a defined term under GAAP, is defined by the Company as gross profit excluding the impact of fair value adjustments related to the sale of inventory acquired in an acquisition and the timing impact of hedge ineffectiveness, less selling and administrative expenses. Segment income should not be considered in isolation or as a substitute for net income data prepared in accordance with GAAP and may not be comparable to calculations of similarly titled measures by other companies.

The tables below present information about operating segments for the three years ended December 31, 2014, 2013 and 2012:

2014	External sales	Inter-segment sales	Segment assets	Depreciation and amortization	Capital expenditures	Segment income
Americas Beverage	$2,335	$ 82	$1,752	$ 40	$ 114	$ 334
North America Food	809	7	456	9	12	127
European Beverage	1,708	2	1,520	27	98	265
European Food	2,197	81	3,213	59	43	221
Asia Pacific	1,226	—	1,335	39	45	142
Total reportable segments	8,275	172	8,276	174	312	$1,089
Non-reportable segments	822	108	533	9	13	
Corporate and unallocated items	—	—	899	7	3	
Total	$9,097	$ 280	$9,708	$ 190	$ 328	

2013	External sales	Inter-segment sales	Segment assets	Depreciation and amortization	Capital expenditures	Segment income
Americas Beverage	$2,289	$ 61	$1,588	$ 35	$ 76	$ 327
North America Food	845	10	457	10	5	119
European Beverage	1,731	1	1,605	26	24	257
European Food	1,751	76	1,500	16	28	144
Asia Pacific	1,189	—	1,277	33	110	133
Total reportable segments	7,805	148	6,427	120	243	$ 980
Non-reportable segments	851	113	633	8	21	
Corporate and unallocated items	—	—	970	6	11	
Total	$8,656	$ 261	$8,030	$ 134	$ 275	

2012	External sales	Inter-segment sales	Segment assets	Depreciation and amortization	Capital expenditures	Segment income
Americas Beverage	$2,274	$ 68	$1,504	$ 48	$ 52	$ 311
North America Food	876	9	500	13	7	146
European Beverage	1,653	13	1,593	42	25	217
European Food	1,793	96	1,464	29	26	180
Asia Pacific	979	—	1,147	27	181	137
Total reportable segments	7,575	186	6,208	159	291	$ 991
Non-reportable segments	895	128	611	15	24	
Corporate and unallocated items	—	—	681	6	9	
Total	$8,470	$ 314	$7,500	$ 180	$ 324	

Intersegment sales primarily include sales of ends and components used to manufacture cans, such as printed and coated metal, as well as parts and equipment used in the manufacturing process.

Corporate and unallocated items include corporate and division administrative costs, technology costs, and unallocated items such as the U.S. and U.K. pension plan costs.

A reconciliation of segment income of reportable segments to income before income taxes and equity earnings for the three years ended December 31, 2014, 2013 and 2012 follows:

	2014	2013	2012
Segment income of reportable segments	$1,089	$ 980	$ 991
Segment income of non-reportable segments	92	102	98
Corporate and unallocated items	(197)	(165)	(194)
Provision for asbestos	(45)	(32)	(35)
Restructuring and other	(129)	(34)	—
Loss from early extinguishments of debt	(34)	(41)	—
Interest expense	(253)	(236)	(226)
Interest income	7	5	7
Foreign exchange	(14)	(3)	1
Income before income taxes and equity earnings	$ 516	$ 576	$ 642

For the three years ended December 31, 2014, 2013 and 2012, intercompany profit of $4, $2 and $5 was eliminated within segment income of non-reportable segments.

For the three years ended December 31, 2014, 2013 and 2012, no one customer accounted for more than 10% of the Company's consolidated net sales.

Sales by major product are:

	2014	2013	2012
Metal beverage cans and ends	$4,863	$4,824	$4,649
Metal food cans and ends	2,735	2,339	2,425
Other metal packaging	1,173	1,211	1,244
Other products	326	282	152
Consolidated net sales	$9,097	$8,656	$8,470

Sales and long-lived assets for the major countries in which the Company operates are:

	Net Sales			Long-Lived Assets	
	2014	2013	2012	2014	2013
United States	$2,163	$2,214	$2,275	$ 329	$ 315
United Kingdom	783	759	852	174	163
Spain	728	420	409	236	77
France	586	547	568	89	70
Other	4,837	4,716	4,366	1,609	1,527
Consolidated total	$9,097	$8,656	$8,470	$2,437	$2,152

Y. Condensed Combining Financial Information

Crown Cork & Seal Company, Inc. (Issuer), a wholly owned subsidiary, has $350 principal amount of 7.375% senior notes due 2026 and $64 principal amount of 7.5% senior notes due 2096 outstanding that are fully and unconditionally guaranteed by Crown Holdings, Inc. (Parent). No other subsidiary guarantees the debt. The following condensed combining financial statements:

- statements of comprehensive income and cash flows for the years ended December 31, 2014, 2013, 2012, and
- balance sheets as of December 31, 2014 and December 31, 2013

are presented on the following pages to comply with the Company's requirements under Rule 3-10 of Regulation S-X.

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2014
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net sales			$ 9,097		$ 9,097
Cost of products sold, excluding depreciation and amortization			7,525		7,525
Depreciation and amortization			190		190
Gross profit			1,382		1,382
Selling and administrative expense		$ 10	388		398
Provision for asbestos		45			45
Restructuring and other		14	115		129
Loss from early extinguishment of debt			34		34
Net interest expense		93	153		246
Translation and foreign exchange			14		14
Income/(loss) before income taxes		(162)	678		516
Provision for / (benefit from) income taxes		(26)	67		41
Equity earnings in affiliates	$ 387	500		$ (887)	—
Net income	387	364	611	(887)	475
Net income attributable to noncontrolling interests			(88)		(88)
Net income attributable to Crown Holdings	$ 387	$ 364	$ 523	$ (887)	$ 387
Comprehensive income	$ 135	$ 112	$ 360	$ (383)	$ 224
Comprehensive income attributable to noncontrolling interests			(89)		(89)
Comprehensive income attributable to Crown Holdings	$ 135	$ 112	$ 271	$ (383)	$ 135

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2013
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net sales			$ 8,656		$ 8,656
Cost of products sold, excluding depreciation and amortization		$ (16)	7,196		7,180
Depreciation and amortization			134		134
Gross profit		16	1,326		1,342
Selling and administrative expense		6	419		425
Provision for asbestos		32			32
Restructuring and other		(2)	36		34
Loss from early extinguishment of debt			41		41
Net interest expense		101	130		231
Translation and foreign exchange			3		3
Income/(loss) before income taxes		(121)	697		576
Provision for / (benefit from) income taxes		(28)	176		148
Equity earnings in affiliates	$ 324	417		$ (741)	—
Net income	324	324	521	(741)	428
Net income attributable to noncontrolling interests			(104)		(104)
Net income attributable to Crown Holdings	$ 324	$ 324	$ 417	$ (741)	$ 324
Comprehensive income	$ 425	$ 425	$ 620	$ (943)	$ 527
Comprehensive income attributable to noncontrolling interests			(102)		(102)
Comprehensive income attributable to Crown Holdings	$ 425	$ 425	$ 518	$ (943)	$ 425

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2012
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net sales			$ 8,470		$ 8,470
Cost of products sold, excluding depreciation and amortization			7,013		7,013
Depreciation and amortization			180		180
Gross profit			1,277		1,277
Selling and administrative expense		$ 9	373		382
Provision for asbestos		35			35
Net interest expense		90	129		219
Translation and foreign exchange			(1)		(1)
Income/(loss) before income taxes		(134)	776		642
Provision for / (benefit from) income taxes		(36)	19		(17)
Equity earnings in affiliates	$ 559	657		$ (1,211)	5
Net income	559	559	757	(1,211)	664
Net income attributable to noncontrolling interests			(105)		(105)
Net income attributable to Crown Holdings	$ 559	$ 559	$ 652	$ (1,211)	$ 559
Comprehensive income	$ 535	$ 535	$ 738	$ (1,163)	$ 645
Comprehensive income attributable to noncontrolling interests			(110)		(110)
Comprehensive income attributable to Crown Holdings	$ 535	$ 535	$ 628	$ (1,163)	$ 535

CONDENSED COMBINING BALANCE SHEET
As of December 31, 2014
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Assets					
Current assets					
Cash and cash equivalents			$ 965		$ 965
Receivables, net			1,031		1,031
Inventories			1,324		1,324
Prepaid expenses and other current assets	$ 1	$ 69	186		256
Assets held for sale			48		48
Total current assets	1	69	3,554		3,624
Intercompany debt receivables			2,885	$ (2,885)	—
Investments	2,199	2,350		(4,549)	—
Goodwill and intangible assets			2,926		2,926
Property, plant and equipment, net			2,437		2,437
Other non-current assets		397	324		721
Total	$2,200	$2,816	$ 12,126	$ (7,434)	$ 9,708
Liabilities and equity					
Current liabilities					
Short-term debt			$ 75		$ 75
Current maturities of long-term debt			177		177
Accounts payable and accrued liabilities	$ 20	$ 35	2,596		2,651
Liabilities related to assets held for sale			23		23
Total current liabilities	20	35	2,871		2,926
Long-term debt, excluding current maturities		412	4,595		5,007
Long-term intercompany debt	2,061	824		$ (2,885)	—
Postretirement and pension liabilities			871		871
Other non-current liabilities		310	207		517
Commitments and contingent liabilities					
Noncontrolling interests			268		268
Crown Holdings shareholders' equity	119	1,235	3,314	(4,549)	119
Total equity	119	1,235	3,582	(4,549)	387
Total	$2,200	$2,816	$ 12,126	$ (7,434)	$ 9,708

CONDENSED COMBINING BALANCE SHEET
As of December 31, 2013
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Assets					
Current assets					
Cash and cash equivalents			$ 689		$ 689
Receivables, net			1,064		1,064
Inventories			1,213		1,213
Prepaid expenses and other current assets	$ 1	$ 103	110		214
Total current assets	1	103	3,076		3,180
Intercompany debt receivables			1,908	$ (1,908)	—
Investments	1,176	2,212		(3,388)	—
Goodwill and intangible assets			2,040		2,040
Property, plant and equipment, net			2,152		2,152
Other non-current assets		349	309		658
Total	$1,177	$2,664	$ 9,485	$ (5,296)	$ 8,030
Liabilities and equity					
Current liabilities					
Short-term debt			$ 279		$ 279
Current maturities of long-term debt			94		94
Accounts payable and accrued liabilities	$ 16	$ 36	2,495		2,547
Total current liabilities	16	36	2,868		2,920
Long-term debt, excluding current maturities		412	3,057		3,469
Long-term intercompany debt	1,157	751		$ (1,908)	—
Postretirement and pension liabilities			891		891
Other non-current liabilities		289	172		461
Commitments and contingent liabilities					
Noncontrolling interests			285		285
Crown Holdings shareholders' equity	4	1,176	2,212	(3,388)	4
Total equity	4	1,176	2,497	(3,388)	289
Total	$1,177	$2,664	$ 9,485	$ (5,296)	$ 8,030

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2014
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net cash provided by/(used for) operating activities	$ 25	$(130)	$ 1,017		$ 912
Cash flows from investing activities					
Capital expenditures			(328)		(328)
Acquisition of businesses, net of cash acquired			(733)		(733)
Proceeds from sale of businesses, net of cash sold			22		22
Proceeds from sale of property, plant and equipment			16		16
Intercompany investing activities	(941)	56	941	$ (56)	—
Other			2		2
Net cash provided by/(used for) investing activities	(941)	56	(80)	(56)	(1,021)
Cash flows from financing activities					
Proceeds from long-term debt			2,742		2,742
Payments of long-term debt			(1,752)		(1,752)
Net change in revolving credit facility and short-term debt			(319)		(319)
Net change in long-term intercompany balances	904	74	(978)		—
Debt issue costs			(41)		(41)
Common stock issued	14				14
Common stock repurchased	(2)				(2)
Dividends paid			(56)	56	—
Purchase of noncontrollling interests			(93)		(93)
Dividend paid to noncontrolling interests			(77)		(77)
Other			(27)		(27)
Net cash provided by/(used for) financing activities	916	74	(601)	56	445
Effect of exchange rate changes on cash and cash equivalents			(60)		(60)
Net change in cash and cash equivalents	—	—	276	—	276
Cash and cash equivalents at January 1			689		689
Cash and cash equivalents at December 31	$ —	$ —	$ 965	$ —	$ 965

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2013
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net cash provided by/(used for) operating activities	$ 16	$ 37	$ 832		$ 885
Cash flows from investing activities					
Capital expenditures			(275)		(275)
Insurance proceeds			8		8
Acquisition of businesses, net of cash acquired			(16)		(16)
Proceeds from sale of businesses, net of cash sold		10			10
Proceeds from sale of property, plant and equipment			29		29
Intercompany investing activities		77		$ (77)	—
Other			(2)		(2)
Net cash provided by/(used for) investing activities		87	(256)	(77)	(246)
Cash flows from financing activities					
Proceeds from long-term debt			1,083		1,083
Payments of long-term debt			(1,022)		(1,022)
Net change in revolving credit facility and short-term debt			18		18
Net change in long-term intercompany balances	263	(124)	(139)		—
Debt issue costs			(32)		(32)
Common stock issued	21				21
Common stock repurchased	(300)				(300)
Dividends paid			(77)	77	—
Purchase of noncontrolling interests			(16)		(16)
Dividend paid to noncontrolling interests			(78)		(78)
Other			20		20
Net cash provided by/(used for) financing activities	(16)	(124)	(243)	77	(306)
Effect of exchange rate changes on cash and cash equivalents			6		6
Net change in cash and cash equivalents	—	—	339	—	339
Cash and cash equivalents at January 1			350		350
Cash and cash equivalents at December 31	$ —	$ —	$ 689	$ —	$ 689

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2012
(in millions)

	Parent	Issuer	Non-Guarantors	Eliminations	Total Company
Net cash provided by/(used for) operating activities	$ 16	$ (217)	$ 822		$ 621
Cash flows from investing activities					
Capital expenditures			(324)		(324)
Insurance proceeds			48		48
Acquisition of businesses, net of cash acquired			(78)		(78)
Proceeds from sale of property, plant and equipment			3		3
Intercompany investing activities		67		$ (67)	—
Other			(11)		(11)
Net cash provided by/(used for) investing activities	—	67	(362)	(67)	(362)
Cash flows from financing activities					
Proceeds from long-term debt			110		110
Payments of long-term debt			(66)		(66)
Net change in revolving credit facility and short-term debt			28		28
Net change in long-term intercompany balances	226	150	(376)		—
Debt issue costs					—
Common stock issued	15				15
Common stock repurchased	(257)				(257)
Dividends paid			(67)	67	—
Purchase of noncontrolling interests			(4)		(4)
Dividend paid to noncontrolling interests			(79)		(79)
Other			(1)		(1)
Net cash provided by/(used for) financing activities	(16)	150	(455)	67	(254)
Effect of exchange rate changes on cash and cash equivalents			3		3
Net change in cash and cash equivalents	—	—	8	—	8
Cash and cash equivalents at January 1			342		342
Cash and cash equivalents at December 31	$ —	$ —	$ 350	$ —	$ 350

Crown Americas, LLC, Crown Americas Capital Corp. II and Crown Americas Capital Corp. III (collectively, the Issuers), wholly owned subsidiaries of the Company, have outstanding $700 principal amount of 6.25% senior notes due 2021 and $1,000 principal amount of 4.5% senior notes due 2023, which are fully and unconditionally guaranteed by Crown Holdings, Inc. (Parent) and substantially all subsidiaries in the United States. The guarantors are wholly owned by the Company and the guarantees are made on a joint and several basis. The following condensed combining financial statements:

- statements of comprehensive income and cash flows for the years ended December 31, 2014, 2013, 2012, and

- balance sheets as of December 31, 2014 and December 31, 2013

are presented on the following pages to comply with the Company's requirements under Rule 3-10 of Regulation S-X.

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2014
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net sales			$ 2,154	$ 6,943		$ 9,097
Cost of products sold, excluding depreciation and amortization			1,725	5,800		7,525
Depreciation and amortization			31	159		190
Gross profit			398	984		1,382
Selling and administrative expense		$ 9	144	245		398
Provision for asbestos			45			45
Restructuring and other		5	44	80		129
Loss from early extinguishment of debt				34		34
Net interest expense		58	90	98		246
Technology royalty			(48)	48		—
Translation and foreign exchange				14		14
Income/(loss) before income taxes		(72)	123	465		516
Provision for / (benefit from) income taxes		(27)	86	(18)		41
Equity earnings in affiliates	$ 387	222	327		$ (936)	—
Net income	387	177	364	483	(936)	475
Net income attributable to noncontrolling interests				(88)		(88)
Net income attributable to Crown Holdings	$ 387	$ 177	$ 364	$ 395	$ (936)	$ 387
Comprehensive income	$ 135	$ 67	$ 112	$ 340	$ (430)	$ 224
Comprehensive income attributable to noncontrolling interests				(89)		(89)
Comprehensive income attributable to Crown Holdings	$ 135	$ 67	$ 112	$ 251	$ (430)	$ 135

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2013
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net sales			$ 2,214	$ 6,442		$ 8,656
Cost of products sold, excluding depreciation and amortization			1,746	5,434		7,180
Depreciation and amortization			29	105		134
Gross profit			439	903		1,342
Selling and administrative expense		$ 9	154	262		425
Provision for asbestos			32			32
Restructuring and other			2	32		34
Loss from early extinguishment of debt		39		2		41
Net interest expense		46	91	94		231
Technology royalty			(48)	48		—
Translation and foreign exchange				3		3
Income/(loss) before income taxes		(94)	208	462		576
Provision for / (benefit from) income taxes		(36)	100	84		148
Equity earnings in affiliates	$ 324	247	216		$ (787)	—
Net income	324	189	324	378	(787)	428
Net income attributable to noncontrolling interests				(104)		(104)
Net income attributable to Crown Holdings	$ 324	$ 189	$ 324	$ 274	$ (787)	$ 324
Comprehensive income	$ 425	$ 332	$ 425	$ 336	$ (991)	$ 527
Comprehensive income attributable to noncontrolling interests				(102)		(102)
Comprehensive income attributable to Crown Holdings	$ 425	$ 332	$ 425	$ 234	$ (991)	$ 425

CONDENSED COMBINING STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2012
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net sales			$ 2,276	$ 6,194		$ 8,470
Cost of products sold, excluding depreciation and amortization			1,821	5,192		7,013
Depreciation and amortization			40	140		180
Gross profit			415	862		1,277
Selling and administrative expense		$ 7	131	244		382
Provision for asbestos			35			35
Restructuring and other			4	(4)		—
Net interest expense		50	90	79		219
Technology royalty			(41)	41		—
Translation and foreign exchange				(1)		(1)
Income/(loss) before income taxes		(57)	196	503		642
Provision for / (benefit from) income taxes		(22)	(97)	102		(17)
Equity earnings in affiliates	$ 559	217	266	1	$ (1,038)	5
Net income	559	182	559	402	(1,038)	664
Net income attributable to noncontrolling interests				(105)		(105)
Net income attributable to Crown Holdings	$ 559	$182	$ 559	$ 297	$ (1,038)	$ 559
Comprehensive income	$ 535	$162	$ 535	$ 391	$ (978)	$ 645
Comprehensive income attributable to noncontrolling interests				(110)		(110)
Comprehensive income attributable to Crown Holdings	$ 535	$162	$ 535	$ 281	$ (978)	$ 535

CONDENSED COMBINING BALANCE SHEET
As of December 31, 2014
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Assets						
Current assets						
Cash and cash equivalents		$ 128		$ 837		$ 965
Receivables, net			$ 18	1,013		1,031
Intercompany receivables			20	11	$ (31)	—
Inventories			291	1,033		1,324
Prepaid expenses and other current assets	$ 1	4	75	176		256
Assets held for sale				48		48
Total current assets	1	132	404	3,118	(31)	3,624
Intercompany debt receivables		2,415	2,640	27	(5,082)	—
Investments	2,199	2,005	850		(5,054)	—
Goodwill and intangible assets			473	2,453		2,926
Property, plant and equipment, net		1	328	2,108		2,437
Other non-current assets		51	413	257		721
Total	$2,200	$4,604	$ 5,108	$ 7,963	$ (10,167)	$ 9,708
Liabilities and equity						
Current liabilities						
Short-term debt				$ 75		$ 75
Current maturities of long-term debt			$ 44	133		177
Accounts payable and accrued liabilities	$ 20	$ 49	480	2,102		2,651
Intercompany payables			11	20	$ (31)	—
Liabilities related to assets held for sale				23		23
Total current liabilities	20	49	535	2,353	(31)	2,926
Long-term debt, excluding current maturities		2,858	368	1,781		5,007
Long-term intercompany debt	2,061	584	2,199	238	(5,082)	—
Postretirement and pension liabilities			464	407		871
Other non-current liabilities			307	210		517
Commitments and contingent liabilities						
Noncontrolling interests				268		268
Crown Holdings shareholders' equity	119	1,113	1,235	2,706	(5,054)	119
Total equity	119	1,113	1,235	2,974	(5,054)	387
Total	$2,200	$4,604	$ 5,108	$ 7,963	$ (10,167)	$ 9,708

CONDENSED COMBINING BALANCE SHEET
As of December 31, 2013
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Assets						
Current assets						
Cash and cash equivalents		$ 177	$ 2	$ 510		$ 689
Receivables, net			26	1,038		1,064
Intercompany receivables			30	81	$ (111)	—
Inventories			266	947		1,213
Prepaid expenses and other current assets	$ 1	2	109	102		214
Total current assets	1	179	433	2,678	(111)	3,180
Intercompany debt receivables		1,476	1,808	19	(3,303)	—
Investments	1,176	1,917	685		(3,778)	—
Goodwill and intangible assets			477	1,563		2,040
Property, plant and equipment, net		1	314	1,837		2,152
Other non-current assets		36	364	258		658
Total	$1,177	$3,609	$ 4,081	$ 6,355	$ (7,192)	$ 8,030
Liabilities and equity						
Current liabilities						
Short-term debt				$ 279		$ 279
Current maturities of long-term debt				94		94
Accounts payable and accrued liabilities	$ 16	$ 49	$ 466	2,016		2,547
Intercompany payables			81	30	$ (111)	—
Total current liabilities	16	49	547	2,419	(111)	2,920
Long-term debt, excluding current maturities		1,920	412	1,137		3,469
Long-term intercompany debt	1,157	594	1,353	199	(3,303)	—
Postretirement and pension liabilities			299	592		891
Other non-current liabilities			294	167		461
Commitments and contingent liabilities						
Noncontrolling interests				285		285
Crown Holdings shareholders' equity	4	1,046	1,176	1,556	(3,778)	4
Total equity	4	1,046	1,176	1,841	(3,778)	289
Total	$1,177	$3,609	$ 4,081	$ 6,355	$ (7,192)	$ 8,030

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2014
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net provided by/(used for) operating activities	$ 25	$ (38)	$ 52	$ 873		$ 912
Cash flows from investing activities						
Capital expenditures			(42)	(286)		(328)
Acquisition of businesses, net of cash acquired				(733)		(733)
Proceeds from sale of businesses, net of cash sold				22		22
Proceeds from sale of property, plant and equipment			6	10		16
Intercompany investing activities	(941)	24	44	954	$ (81)	—
Other				2		2
Net cash provided by/(used for) investing activities	(941)	24	8	(31)	(81)	(1,021)
Cash flows from financing activities						
Proceeds from long-term debt		942		1,800		2,742
Payments of long-term debt		(4)		(1,748)		(1,752)
Net change in revolving credit facility and short-term debt				(319)		(319)
Net change in long-term intercompany balances	904	(949)	14	31		—
Debt issue costs		(24)		(17)		(41)
Common stock issued	14					14
Common stock repurchased	(2)					(2)
Dividends paid				(81)	81	—
Purchase of noncontrolling interests			(76)	(17)		(93)
Dividends paid to noncontrolling interests				(77)		(77)
Other				(27)		(27)
Net cash provided by/(used for) financing activities	916	(35)	(62)	(455)	81	445
Effect of exchange rate changes on cash and cash equivalents				(60)		(60)
Net change in cash and cash equivalents	—	(49)	(2)	327	—	276
Cash and cash equivalents at January 1		177	2	510		689
Cash and cash equivalents at December 31	$ —	$ 128	$ —	$ 837	$ —	$ 965

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2013
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net provided by/(used for) operating activities	$ 16	$ (18)	$ 352	$ 535		$ 885
Cash flows from investing activities						
Capital expenditures			(37)	(238)		(275)
Insurance proceeds				8		8
Acquisition of businesses, net of cash acquired				(16)		(16)
Proceeds from sale of businesses, net of cash sold			10			10
Proceeds from sale of property, plant and equipment			4	25		29
Intercompany investing activities		32	91		$ (123)	—
Other				(2)		(2)
Net cash provided by/(used for) investing activities	—	32	68	(223)	(123)	(246)
Cash flows from financing activities						
Proceeds from long-term debt		1,000		83		1,083
Payments of long-term debt		(730)		(292)		(1,022)
Net change in revolving credit facility and short-term debt				18		18
Net change in long-term intercompany balances	263	(108)	(419)	264		—
Debt issue costs		(26)		(6)		(32)
Common stock issued	21					21
Common stock repurchased	(300)					(300)
Dividends paid				(123)	123	—
Purchase of noncontrolling interests				(16)		(16)
Dividends paid to noncontrolling interests				(78)		(78)
Other				20		20
Net cash provided by/(used for) financing activities	(16)	136	(419)	(130)	123	(306)
Effect of exchange rate changes on cash and cash equivalents				6		6
Net change in cash and cash equivalents	—	150	1	188	—	339
Cash and cash equivalents at January 1		27	1	322		350
Cash and cash equivalents at December 31	$ —	$ 177	$ 2	$ 510	$ —	$ 689

CONDENSED COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2012
(in millions)

	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total Company
Net provided by/(used for) operating activities	$ 16	$ (28)	$ 213	$ 420		$ 621
Cash flows from investing activities						
Capital expenditures			(41)	(283)		(324)
Insurance proceeds				48		48
Acquisition of businesses, net of cash acquired			(29)	(49)		(78)
Proceeds from sale of property, plant and equipment			1	2		3
Intercompany investing activities		29	268		$ (297)	—
Other				(11)		(11)
Net cash provided by/(used for) investing activities	—	29	199	(293)	(297)	(362)
Cash flows from financing activities						
Proceeds from long-term debt				110		110
Payments of long-term debt			(1)	(65)		(66)
Net change in revolving credit facility and short-term debt		(104)		132		28
Net change in long-term intercompany balances	226	109	(408)	73		—
Common stock issued	15					15
Common stock repurchased	(257)					(257)
Dividends paid				(297)	297	—
Purchase of noncontrolling interests			(3)	(1)		(4)
Dividends paid to noncontrolling interests				(79)		(79)
Other				(1)		(1)
Net cash provided by/(used for) financing activities	(16)	5	(412)	(128)	297	(254)
Effect of exchange rate changes on cash and cash equivalents				3		3
Net change in cash and cash equivalents	—	6	—	2	—	8
Cash and cash equivalents at January 1		21	1	320		342
Cash and cash equivalents at December 31	$ —	$ 27	$ 1	$ 322	$ —	$ 350

Quarterly Data (unaudited)

(in millions)	2014				2013			
	First(1)	Second(2)	Third(3)	Fourth(4)	First(5)	Second(6)	Third(7)	Fourth(8)
Net sales	$1,993	$ 2,383	$2,594	$ 2,127	$1,973	$ 2,223	$2,389	$ 2,071
Gross profit *	297	376	422	287	299	375	394	274
Net income attributable to Crown Holdings	24	106	244	13	41	133	101	49
Earnings per average common share:								
Basic	0.18	0.77	1.78	0.09	0.29	0.94	0.73	0.36
Diluted	0.17	0.76	1.76	0.09	0.28	0.93	0.73	0.36
Average common shares outstanding:								
Basic	136.8	137.2	137.4	137.5	142.5	141.2	137.8	136.6
Diluted	137.9	138.6	138.7	138.8	144.0	142.5	139.2	137.7
Common stock price range: **								
High	$45.14	$ 50.89	$51.56	$ 52.52	$41.69	$ 44.31	$45.40	$ 44.94
Low	37.29	44.11	44.24	42.50	37.00	39.32	40.92	39.77
Close	44.74	49.76	44.52	50.90	41.61	41.13	42.28	44.57

* The Company defines gross profit as net sales less cost of products sold and depreciation and amortization.

** Source: New York Stock Exchange—Composite Transactions

Notes:

(1) Includes pre-tax charges of $52 for restructuring and other and $7 for hedge ineffectiveness.

(2) Includes pre-tax charges of $31 for restructuring and other and $15 for fair value adjustments in inventory and a pre-tax benefit of $3 for hedge ineffectiveness.

(3) Includes pre-tax charges of $34 for loss from early extinguishment of debt, $8 for restructuring and other and $4 for fair value adjustments in inventory, a pre-tax benefit of $4 for hedge ineffectiveness and an income tax benefit of $90 for the reversal of a tax valuation allowance.

(4) Includes pre-tax charges of $45 for asbestos claims and $38 for restructuring and other and an income tax benefit of $10 for a tax law change and changes in valuation allowance.

(5) Includes pre-tax charges of $38 for loss from early debt extinguishment and $4 for restructuring and other.

(6) Includes pre-tax charge of $4 for restructuring and other.

(7) Includes a net pre-tax charge of $31 for restructuring and other and an income tax charge of $18 for tax law changes.

(8) Includes pre-tax charges of $32 for asbestos claims and $3 for loss from early extinguishment of debt, a net pre-tax benefit of $5 for restructuring and other and an income tax benefit of $7 for tax law changes.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

(In millions)

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E
		Additions			
Description	Balance at beginning of period	Charged to costs and expense	Charged to other accounts	Deductions –Write-offs	Balance at end of period
For the year ended December 31, 2014					
Allowances deducted from assets to which they apply:					
Trade accounts receivable	$ 78	$ —	$ 10	$ —	$ 88
Deferred tax assets	343	(70)	(11)	(17)	245
For the year ended December 31, 2013					
Allowances deducted from assets to which they apply:					
Trade accounts receivable	37	41	2	(2)	78
Deferred tax assets	400	(1)	1	(57)	343
For the year ended December 31, 2012					
Allowances deducted from assets to which they apply:					
Trade accounts receivable	37	—	2	(2)	37
Deferred tax assets	359	56	(15)	—	400

Independent Auditors' Report

To the Board of Directors and Stockholders
Empaque México:

We have audited the accompanying combined financial statements of Empaque México that include the following entities, Fábricas Monterrey, S.A. de C.V., Cierres Herméticos, S.A. de C.V., Terrestratégicos, S.A. de C.V., Prolatamex, S.A. de C.V., Sílices de Veracruz, S.A. de C.V., Glass & Sílice, S.A. de C.V. and Sílice del Istmo, S.A. de C.V. (collectively referred to herein as "Empaque México" or the "Company" or the "Group"), which comprise the combined statements of financial position as of December 31, 2014 and 2013, and the combined statements of comprehensive income, changes in stockholders' equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the combined financial statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with Mexican Financial Reporting Standards (FRS), and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with International Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the combined financial position of Empaque México as of December 31, 2014 and 2013, and its combined comprehensive income and its combined cash flows for the years then ended, in accordance with Mexican Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to the following:

As mentioned in notes 3(p) and 8 to the accompanying combined financial statements, sales as of December 31, 2014 and 2013 to affiliated Cerveceria Cuauhtémoc Moctezuma, S.A. de C.V. represent 57% and 63% of the group net sales in those years, respectively.

KPMG CARDENAS DOSAL, S. C.

/s/ Juan Carlos Guerra Rocha
Juan Carlos Guerra Rocha

April 20, 2015.

Combined Statements of Financial Position
December 31, 2014 and 2013
(Mexican pesos)

	2014	2013
Assets		
Current assets:		
Cash and cash equivalents	Ps 30,240,647	6,689,558
Accounts receivable, net (note 7)	688,195,377	515,542,439
Recoverable taxes (note 10)	—	90,565,728
Related parties (note 8)	878,410,795	2,974,933,801
Inventories (note 9)	837,979,577	665,888,069
Prepaid expenses (note 11)	13,778,994	12,548,601
Advances to suppliers	639,820	160,947
Financial instruments (note 6)	207,115	1,104,290
Total current assets	2,449,452,325	4,267,433,433
Property, plant and equipment, net (note 12)	3,487,824,815	3,702,638,925
Financial instruments (note 6)	—	41,253,314
Permanent investments	1,297,231	1,331,030
Security deposits	998,620	688,436
	Ps 5,939,572,991	8,013,345,138
Liabilities and Stockholders' Equity		
Current liabilities:		
Trades payable	Ps 1,216,496,206	910,659,642
Related parties (note 8)	8,153,099	3,226,274,843
Related party financing (note 8)	—	200,000,000
Taxes payable	159,893,910	132,740,723
Accruals (note 13)	104,141,412	107,190,164
Employee statutory profit sharing	51,215,104	29,070,682
Accumulated expenses and other liabilities	14,184,631	29,145,758
Financial instruments (note 6)	13,358,906	128,418,042
Total current liabilities	1,567,443,268	4,763,499,854
Employee benefits (note 14)	241,999,136	224,454,297
Related parties long term (note 8)	—	50,595,854
Deferred income tax net (note 15)	229,867,841	210,554,355
Financial instruments (note 6)	—	21,832,949
Total liabilities	2,039,310,245	5,270,937,309
Stockholders' equity (note 16):		
Capital stock	2,827,118,170	1,142,510,125
Stock premiums	—	5,663,647
Retained earnings	1,082,350,830	1,669,965,820
Other comprehensive income	(9,206,254)	(75,731,763)
Total stockholders' equity	3,900,262,746	2,742,407,829
Commitments and contingencies (note 17)		
Subsequent event (note 18)		
	Ps 5,939,572,991	8,013,345,138

See accompanying notes to the combined financial statements.

Combined Statements of Comprehensive Income
Years ended December 31, 2014 and 2013
(Mexican pesos)

	2014	2013
Net sales (note 8)	Ps 9,033,741,031	8,410,955,932
Leasing income (note 8)	260,000	—
Other income	61,991,886	50,812,076
Total income	9,095,992,917	8,461,768,008
Cost of sales	7,010,252,980	6,660,636,941
Gross profit	2,085,739,937	1,801,131,067
Expenses:		
Administration (note 8)	172,805,072	181,757,874
Selling (note 8)	311,973,375	371,987,116
Impairment of machinery and equipment	7,300,000	1,983,538
Other expenses	2,444,786	8,175,074
Total expenses	494,523,233	563,903,602
Operating income	1,591,216,704	1,237,227,465
Comprehensive financing result:		
Interest expense (note 8)	(116,431,643)	(266,280,855)
Interest income (note 8)	54,714,576	108,820,546
Loss on transfer of financial asets	(89,109,212)	—
Exchange loss, net	(33,421,457)	(6,210,607)
Comprehensive financing result, net	(184,247,736)	(163,670,916)
Income before income taxes and other comprehensive income	1,406,968,968	1,073,556,549
Income taxes (note 15):		
Current	419,941,269	385,526,915
Deferred	(9,197,447)	(24,446,778)
Total income taxes	410,743,822	361,080,137
Net income	996,225,146	712,476,412
Other comprehensive income (note 16):		
Cash flow hedge valuation	95,036,442	14,232,456
Deferred income tax on other comprehensive income	(28,510,933)	(4,269,737)
Total other comprehensive income	66,525,509	9,962,719
Net comprehensive income	Ps 1,062,750,655	722,439,131

See accompanying notes to the combined financial statements.

Combined Statements of Changes in Stockholders' equity
Years ended December 31, 2014 and 2013
(Mexican pesos)

	Capital stock	Stock premiums	Retained earnings	Other comprehensive income	Total stockholders' equity
Balances as of December 31, 2012	Ps 1,142,510,125	5,663,647	1,957,489,408	(85,694,482)	3,019,968,698
Dividends declared (note 16 c)	—	—	(1,000,000,000)		(1,000,000,000)
Net comprehensive income (note 16 b)	—	—	712,476,412	9,962,719	722,439,131
Balances as of December 31, 2013	1,142,510,125	5,663,647	1,669,965,820	(75,731,763)	2,742,407,829
Reimbursement of capital and other accounts (note 16 a)	(1,135,391,955)	(5,663,647)	(1,583,840,136)	—	(2,724,895,738)
Capital stock increase (nota 16 a)	2,820,000,000	—	—	—	2,820,000,000
Net comprehensive income (note 16 b)	—	—	996,225,146	66,525,509	1,062,750,655
Balances as of December 31, 2014	Ps 2,827,118,170	—	1,082,350,830	(9,206,254)	3,900,262,746

See accompanying notes to the combined financial statements.

Combined Statements of Cash Flows
Years ended December 31, 2014 and 2013
(Mexican pesos)

	2014	2013
Operating activities:		
Income before income taxes	Ps 1,406,968,968	1,073,556,549
Items relating to investing activities:		
Depreciation	321,330,641	317,728,295
Impairment of machinery and equipment	7,300,000	1,983,538
(Gain) loss on sale of equipment	(29,877,436)	1,050,968
Interest income	(54,714,576)	(108,820,546)
Items relating to financing activities:		
Interest expense	116,431,643	266,280,855
Subtotal	1,767,439,240	1,551,779,659
Accounts receivable, net	(172,652,938)	9,680,314
Recoverable taxes and taxes payable, net	117,718,915	46,486,486
Related parties, net	(1,121,598,738)	166,561,656
Inventories, net	(172,091,508)	248,977,947
Trades payable	305,836,564	11,322,251
Accruals	(3,048,352)	12,650,715
Prepaid expenses, accumulated expenses and other liabilities	(16,951,916)	49,861,992
Employee statutory profit sharing	22,144,422	(1,582,139)
Employee benefits	17,544,839	6,477,587
Financial instruments	294,846	(282,119)
Income taxes paid	(419,941,269)	(385,526,915)
Net cash flows from operating activities	324,694,105	1,716,407,434
Investment activities:		
Interests received	54,714,576	108,820,546
Acquisition of property, plant and equipment	(128,651,174)	(245,925,434)
Proceeds from the sale of equipment	44,712,079	33,090,450
Net cash flows from investment activities	(29,224,519)	(104,014,438)
Excess to apply to financing activities	295,469,586	1,612,392,996
Financing activities:		
Interest paid	(116,431,643)	(266,280,855)
Cash inflow from capital stock increase	2,820,000,000	—
Capital stock reimbursement	(2,724,895,738)	—
Related party financing	(250,591,116)	(350,908,814)
Dividends declared	—	(1,000,000,000)
Net cash flows from financing activities	(271,918,497)	(1,617,189,669)
Increase (decrease) in cash and equivalents	23,551,089	(4,796,673)
At the beginning of the year	6,689,558	11,486,231
At the end of the year	Ps 30,240,647	6,689,558

See accompanying notes to the combined financial statements.

Notes to combined Financial Statements
For the years ended December 31, 2014 and 2013
(Mexican Pesos)

(1) Description of business and outstanding operations—

Description of business

Empaque México (the "Group") is an incorporated under Mexican laws located at Ave. Alfonso Reyes, No. 2239, Col. 15 de Mayo, Monterrey, Nuevo León, México. The Group is a subsidiary of Famosa B.V. Sivesa B.V. and Sivesa Mexico, B.V. The main controller of the economic entity to which the group belongs is Heineken, N.V.

The Companies that form the Group are as follows:

Fábricas Monterrey, S.A. de C.V.
Sílices de Veracruz, S.A. de C.V.
Sílice del Istmo, S.A. de C.V.
Prolatamex, S.A. de C.V.
Terrestratégicos, S.A. de C.V.
Cierres Herméticos, S.A. de C.V.
Glass & Sílice, S.A. de C.V.

The main activity of Fábricas Monterrey, S.A. de C.V. is manufacturing and selling cans, hermetic lids and lids, mainly for the drink industry.

The main activity of Sílices de Veracruz, S.A. de C.V. is manufacturing and selling glass containers to bottle soft drinks and beers mainly to related parties and operations are conducted mainly in México.

The main activity of Sílice del Istmo, S.A. de C.V. is extracting silica to manufacture glass and the operations are conducted in México.

The main activity of Prolatamex, S.A. de C.V. is marketing and selling aluminum lids and cans. The Company has no employees, thus, the administrative services required for the operation are provided by an affiliated company for a fee.

The main activity of Terrestratégicos, S.A. de C.V. is leasing property located in Baja California. The Company lease the property exclusively to Fábricas Monterrey, S.A. de C.V. (related party).

The main activity of Cierres Herméticos, S.A. de C.V. is to provide leasing industrial machinery and equipment to its affiliate Fábricas Monterrey, S.A. de C.V. The Company has no employees, thus, the administrative services required for the operation are provided by an affiliated company.

The main activity of Glass & Sílice, S.A. de C.V. is marketing and selling glass containers for soft drinks and beer. The Company has no employees, thus the administrative services required for the operation are provided by an affiliated company for a fee.

Outstanding operations

On August 31, 2014, Heineken NV announced the process of selling the Packaging Division in México (division to which the Group belongs) to Crown Holdings. Inc ("Crown"), located in Philadelphia, PA, in the United States of America (US) which exclusively manufactures and sells packaging material for canned beverages and glass. As mentioned in note 18, on February 11, 2015, the sale of the Company was approved by the Federal Economic Competence Commission.

(2) Financial statement authorization and presentation—

Authorization

On April 20, 2015, Group management authorized the issuance of the accompanying combined financial statements and related notes thereto.

The stockholders are empowered to modify the combined financial statements after issuance.

Basis of preparation

a) Statement of compliance

The accompanying combined financial statements have been prepared in accordance with Mexican Financial Reporting Standards (FRS) (see note 4).

b) Use of estimates and judgments

The preparation of combined financial statements requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amount of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of property, plant and equipment; valuation allowances for receivables, inventories, deferred income tax assets, derivative financial instrument and/or hedge relationship valuations and assets and liabilities related to employee benefits. Actual results could differ from those estimates and assumptions.

c) Functional and reporting currency

The aforementioned combined financial statements are presented in Mexican pesos, reporting, recording and functional currency.

d) Statement of comprehensive income presentation

The Group chose for reporting comprehensive income in a single statement that includes all the items that comprise net income, as well as Other Comprehensive Income (OCI) entitled “Statement of Comprehensive Income”.

Given that the Group is an industrial (commercial) entity, ordinary costs and expenses are presented based on their function, to arrive at the gross profit margin.

(3) Summary of significant accounting policies—

The accounting policies shown below have been applied consistently to all periods presented in these combined financial statements, and have been applied consistently by the Group:

(a) Recognition of the effects of inflation—

The accompanying combined financial statements have been prepared in accordance with Mexican Financial Reporting Standards (FRS), and include the recognition of the effects of inflation on the financial information through December 31, 2007, based on the Mexican National Consumer Price Index (NCPI). Cumulative inflation percentage of the last three years and the indices used in recognizing inflation, shown in the next page:

		Inflation	
December 31	NCPI	Yearly	Cumulative
2014	116.059	4.08%	12.07%
2013	111.508	3.97%	11.80%
2012	107.246	3.56%	12.25%

(b) Principles of combination—

The combined financial statements include the accounts of the Group as detailed in note 1. All significant inter-company balances and transactions have been eliminated in combination. The combination was based on the audited financial statements of the issuing companies as of December 31, 2014 and 2013, which have been prepared in accordance with Mexican FRS.

(c) Cash and cash equivalents—

Cash and cash equivalents consist of checking accounts, foreign currency and other highly liquid instruments. As of the date of the combined financial statements, interest income and foreign exchange gains and losses are included in the income statement, as part of comprehensive financing result.

(d) Derivative financial instruments—

All assets and liabilities arising from transactions with financial derivative instruments are recognized by the Group on the combined statement of financial position at fair value, regardless of purpose. Fair value is based on known market prices and, when not listed in an observable market, it is determined based on valuation models using market inputs.

Changes in fair value of derivative financial instruments not designated from inception or throughout their term or that not qualify for hedge accounting are recognized in results of operations for the year as valuation effects of derivatives, under comprehensive financing results.

Premiums paid for and/or received from options not designated or not qualifying for hedging purposes are initially recognized at fair value as a financial derivative asset (premiums paid) or liability (premiums received), respectively. Subsequent changes in the fair value are recognized as valuation effects of derivatives under comprehensive financing results.

(e) Hedging activities—

To reduce the risks arising from changes in prices of certain metallurgical and/or energy commodities, the Group uses selected derivative financial instruments, such as options and swaps.

When these derivatives are formally contracted as hedging instruments in one or more hedging relationship and hence meet all the requirements for hedge accounting (are linked to derivatives), such formal designation is documented with this purpose.

Changes in fair value of those financial derivative instruments that were formally designated and qualify initially and subsequently for hedge accounting are recognized based on the type of hedge accounting model applied: (1) when the hedge relationship follows the fair value hedge accounting model, fluctuations in fair value of both the derivative instrument and the hedged item (exclusively for the hedged risk or risks) are recognized in the comprehensive financial result, net of accrued interest: (2) when the hedge relationship follows the cash flow hedge accounting model, the change in the fair value of the derivative that is determined to be effective is temporarily recognized in other comprehensive income and reclassified to statement of income when the hedged item also impacts statement of income. Ineffectiveness and exclusions from the hedging relationship are recognized immediately in current earnings. (3) when the hedge is form an investment in a foreign subsidiary, the effective portion is recognized in comprehensive income as part of the cumulative translation adjustment; the ineffective portion of the gain or loss from the hedging instrument is recognized in statement of income, and evaluates the hedge relationship from the beginning and throughout all the subsequent phases. The changes in fair value of DFI designated as for trading purposes are recognized immediately in the statement of income within comprehensive financing result.

The group discontinues hedge accounting when the derivative expires, is sold/transferred, terminated or exercised; when the derivative is not as effective as required for offsetting changes in fair value or present value of cash flows of the hedged item; when the hedged item is liquidated and removed from the statement of financial position; when the forecasted transaction is no longer expected to occur; or when the Group decides an early cancellation of the hedging relationship, the designation of the hedge relationship formally designated form the beginning and qualified to agree to hedge treatment.

The options or combinations of options in hedging relationships should be equivalent to net premiums paid with a value of zero. Net premiums paid or received are initially recognized as assets or liabilities within derivative financial instruments and subsequent net changes in fair value are recognized in the statement of income in the ineffective valuation of derivative financial instrument account.

The Group has a hedge committee that includes members of the Board of Directors or independent advisors and it identifies, quantifies, measures and monitors the financial risks through upper management, which continuously analyzes the Group price, credit, counterparty and liquidity risks.

(f) Accounts receivable—

Accounts receivable are reported at realizable value, net of provisions for returns and discounts and the allowance for doubtful accounts.

(g) Inventories and cost of sales—

Inventories are measured at the lower of cost and net realizable value. The cost is determined using the acquisition cost method for raw material and standard cost for finished goods.

Unit cost is determined using the average cost formula for raw material, work in process finished goods and spares.

Cost of sales represents the cost of inventories at the time of sale, increased, as applicable, for reductions in the net realizable value of inventories during the year.

The Group records the necessary allowances for inventory impairment arising from damaged, obsolete or slow-moving inventories or any other reason indicating that the carrying amount will exceed the future revenues expected from use or realization of the inventory items.

(h) Prepaid expenses—

Prepaid expenses include advances for services, insurance to be received in the upcoming 12 months and recorded in the statement of income when the services or benefits are received.

(i) Permanent investments—

Permanent investments in associated companies of less than 25% of capital of the issuing company are stated at acquisition cost.

(j) Property, plant and equipment—

Property, plant and equipment are recorded at acquisition cost and, through December 31, 2007, were adjusted for inflation by applying NCPI factors.

From January 1, 2007, acquisitions of assets under construction or installation include the related comprehensive financing results as part of the value of assets.

Depreciation on property, plant and equipment is calculated on the straight-line method over the estimated useful lives of the assets as determined by the Group management. The annual depreciation rates of the main asset classes are as follows:

	Years
Buildings	26
Machinery and equipment	12
Transportation equipment	6
Office furniture and equipment	4
Pallets	3

Minor repairs and maintenance costs are expensed as incurred.

(k) Impairment of long-lived assets—

The Group periodically evaluates the net carrying amount of long-lived assets, property, plant and equipment and other noncurrent assets to determine whether there is an indication that the carrying amount exceeds the recoverable amount. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future net revenues reasonably expected to be generated by the asset. If the net carrying amount of the asset exceeds the recoverable amount, the Group records the necessary provisions. Assets to be disposed of are reported on the statements of financial position at the lower of net carrying amount or realizable value.

(l) Accruals—

Based on management's estimates, the Group recognizes accruals for present obligations where the transfer of assets or the rendering of services is virtually inevitable and arises as a consequence of past events, mainly salaries and other amounts payable to employees, which, as applicable, are recorded at net present value.

(m) Employee benefits—

Termination benefits other than restructuring and retirement to which employees are entitled are recorded in the income statement, based on actuarial calculations using the projected unit credit method, considering the projected salaries. As of December 31, 2014 and for purposes of recognizing benefits upon retirements, the remaining average service life of employees entitled to plan benefits approximates 17 years.

Labor obligations are considered nonmonetary items, which are determined by applying long-term economic assumptions. The increase in the balance of labor obligations is recorded in operations of the year, and the prior service cost is amortized in the estimated period in which the employees will receive the plan benefits.

The group has a fund to pay pensions and post-retirement medical services, through an irrevocable trust in favor of employees.

(n) Income tax (IT) and employee statutory profit sharing (ESPS)—

IT and ESPS payable for the year are determined in conformity with the tax provisions in effect.

Deferred IT and ESPS are accounted for under the asset and liability method. Deferred taxes and ESPS assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and in the case of IT, for operating loss carry forwards and other recoverable tax credits. Deferred tax and ESPS assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax and ESPS assets and liabilities of a change in tax rates is recognized in the income statement in the period that includes the enactment date.

Current and deferred income taxes are presented and classified in the results of operations of the period, except those arising from a transaction that is recognized in Other Comprehensive Income (OCI) or directly in stockholders' equity.

(o) Revenue recognition—

The Group recognizes revenue from sale of products when the products are shipped and the customer takes ownership and assumes risk of loss. Service revenues are recognized as rendered. Based on management's analysis and estimates, the Group provides for doubtful receivables (reported under selling expenses) and returns and discounts (deducted from sales).

(p) Business concentration—

As of December 31, 2014 and 2013, sales to affiliates Cervecería Cuauhtémoc Moctezuma, S.A. de C.V. represent 57% and 63% of the Group net sales of those years, respectively.

(q) Comprehensive financing result (CFR)—

The CFR includes interest income and expense, foreign exchange gains and losses and the valuation effects of financial instruments.

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of execution or settlement. Foreign currency assets and liabilities are translated at the exchange rate in force at the statement of financial position date. Exchange differences arising from assets and liabilities denominated in foreign currencies are reported in the income statement.

(r) Contingencies

Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, disclosure is provided in the notes to the combined financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.

(4) Accounting changes—

Accounting changes

The accounting changes recognized by the Group in 2013, derived from the adoption of the FRS and FRS Revisions mentioned below, issued by the Mexican Board of Financial Reporting Standards (Consejo Mexicano de Normas de Información Financiera, A. C. or CINIF):

- **FRS C-11 "Stockholders' equity"—**FRS C-11 is effective for years beginning January 1, 2014. There were no accounting changes resulting from the initial application of this FRS.
- **FRS C-12 "Financial instruments with characteristics of liabilities and equity"—**FRS C-12 is effective for years beginning January 1, 2014. There were no accounting changes resulting from the initial application of this FRS.

2014 FRS Revisions

In December 2013, CINIF issued the document referred to as "2014 FRS Revisions", which contains precise modifications to some FRS. The modifications that bring about accounting changes are listed below:

- **FRS C-5 "Prepayments"—**FRS C-5 provides that amounts paid in foreign currency be recognized at the exchange rate in force as of the transaction date, and shall not be modified as a result of foreign exchange fluctuations between the functional currency and the foreign currency in which the prices of goods and services regarding such prepayments are denominated. Additionally, it provides that impairment losses arising from prepayments, as well as the reversal of such losses, shall be reported as part of the net income or loss for the period. There were no accounting changes resulting from the initial application of this revision.
- **FRS B-3 "Statement of comprehensive income", FRS C-6 "Property, plant and equipment", Bulletin C-9 "Liabilities, provisions, contingent assets and liabilities and commitments" and FRS D-3 "Employee benefits"—**The revisions to these standards are aimed at performing the modifications related to the presentation of certain transactions that were previously recognized under the financial statement caption associated with other income and expenses, as the presentation of such financial statement caption ceased to be required after the new FRS B-3 became effective. There were no accounting changes resulting from the initial application of this revision.

As of December 31, 2014 these changes and FRS revisions had no impact on the Group financial information.

(5) Foreign currency exposure and translation—

Monetary assets and liabilities denominated in foreign currencies (dollars) translated to the reporting currency as of December 31, 2014 and 2013 are indicated below:

	2014	2013
Assets:		
Short term	Ps 303,824,241	544,337,782
Liabilities:		
Short term	(811,950,273)	(899,105,386)
Net liabilities	Ps (508,126,032)	(354,767,604)

As of December 31, 2014 and 2013 Ps 33,421,457 and Ps 6,210,607 of net exchange loss were recorded.

The exchange rates used in the different translation processes in relation to the reporting currency as of December 31, 2014 and 2013, were the following:

		Exchange rate	
Country of origin	Currency	2014	2013
México	Pesos	$14.73	$13.08

(6) Financial instruments and hedging activities—

(a) Derivative instruments—

The Group has different derivative financial instruments called *Commodities Swaps* to hedge a rise in the price of certain raw material and gas. The fair value of these contracts is calculated with the market prices, recording the gains or losses of the effective hedging instruments within comprehensive income in stockholders' equity and transferring the ineffective gain or loss immediately to the income statement in the comprehensive financing result.

The group incurs in foreign currency exchange rate risk from the purchases and hedging instruments, mainly U.S. dollars (USD) to reduce an appreciation of the dollar with respect to the peso. It is important to mention that the Group sets the sales prices of the products in dollars (USD).

a) Market Value of hedging derivative instruments:

	2014	2013
Cash flow hedges		
Assets:		
Short-term commodities	Ps 207,115	1,104,290
Long-term commodities	—	41,253,314
	Ps 207,115	42,357,604
Liabilities:		
Short-term commodities	Ps 13,358,906	128,418,042
Long-term commodities	—	21,832,949
	Ps 13,358,906	150,250,991

Aluminum hedges under cash flows

At closing of the period, the Group has a series of derivative instruments called *Commodity Swaps* on the price of aluminum listed in the London Metal Exchange (LME), with different expirations throughout 2015. Through these operations, the Group set the future price of aluminum to hedge the variation in price of this raw material.

Counterparty	Notional (Tons)	Type of instrument	Fair Value 2014
BNP Paribas	850	Swap	99,621
Citibank	1,171	Swap	648,019

Counterparty	Notional (Tons)	Type of instrument	Fair Value 2013
Barclays	7,500	Swap	1,345,476
BNP Paribas	17,125	Swap	2,137,450
JP Morgan	23,925	Swap	4,865,744
Society Generale	20,615	Swap	555,193
Citibank	7,708	Swap	417,112

Gas hedges under cash flow

The Company hedges the gas price variation with swap financial instruments applied to the Henry Hub indicator. As of December 31, 2014, the Company has not Gas hedges.

Counterparty	Notional (MMBTUS)	Type of instrument	Fair value 2013
JP Morgan	220,000	Swap	(27,776)
Citibank	440,000	Swap	2,306
Societe Generale	820,000	Swap	(2,929)

b) Net effect of terminated contracts:

Type of derivatives	Impact on the statement of income	Millions of pesos	
		2014	2013
Commodities engaged	Cost of sales	Ps 80	313

The derivative financial instrument cash flow hedge portfolio was 100% effective during the hedging period.

The operations with derivative financial instruments recorded as hedges establish a hedge relationship, whereby the Group formally documents the objective of the hedge, the risk management strategy, the hedging instrument, the caption or the transaction hedged, the nature of the risk hedged, how the effectiveness of the hedging instrument will be tested to compensate the risk hedged and the methodology to measure the hedging effectiveness.

The margins and collaterals are established in the International Swaps and Derivatives Association Contract (ISDA). These are established by the counterpart depending on the authorized lines of credit. It is the Group policy not to operate with counterparts that do not offer reasonable lines.

The Group runs prospective and retrospective effectiveness tests to watch at all times that the hedge relationships maintain high effectiveness according to the accounting standards. Upon detecting ineffectiveness, the Group recognizes this ineffective amount in the statement of income as part of the CFR. Because the fair value of the derivative financial instruments can significantly fluctuate, it is very likely that the Group is exposed to the volatility related to unrealized gains and losses due to the changes in fair value of the derivative financial instruments in the future.

(7) Accounts receivable—

Accounts receivable include the following:

	2014	2013
Trades receivable(1)	Ps 664,441,543	503,797,286
Guaranty deposits	559,866	546,073
Sundry debtors	3,601,126	1,775,306
Others	21,140,591	11,449,388
Less allowance for doubtful accounts	(1,547,749)	(2,025,614)
Total accounts receivable	Ps 688,195,377	515,542,439

1) On November 14, 2014, the rights and obligations of the accounts receivable of Cerveceria Bucanero, S.A. for a total of 177,905,717 pesos were transferred between Prolatamex, S.A. de C.V. and Administración de Agencias y Distribuidoras, S.A. de C.V. (related parties) (ADD). Both

parties agreed on the price for the transferred portfolio with a discount of approximately 50%, thus, Prolatamex, S.A. de C.V. received a total of Ps 88,796,505 in cash. The remaining Ps 89,109,212 was canceled to comprehensive financing result, as a loss on transfer of financial assets.

(8) Related-party transactions and balances—

Transactions carried out with related parties during the years ended December 31, 2014 and 2013 were as follows:

	2014	2013
Sales to:		
Cervecería Cuauhtémoc Moctezuma, S.A. de C.V.	Ps 5,161,790,766	5,340,615,091
Heineken España, S.A.	54,718,631	57,370,534
Cerveceria Panama	15,370,444	11,010,032
Heineken Haití	16,283,447	7,204,022
Heineken Nederland, B.V.	6,213,216	42,476,013
Cervejarias Kaiser Brasil, S.A.	48,095,023	49,362,845
Leasing income:		
Desarrollo Logístico, S.A. de C.V.	Ps 260,000	—
Service revenues from:		
Heineken Nederland, B.V.	Ps 4,021,717	8,889,166
Cervecería Cuauhtémoc Moctezuma, S.A. de C.V.	23,858	—
Services expenses from:		
Heineken International B.V.	Ps 2,549,748	11,840,746
Sistemas Ambientales Industriales, S.A. de C.V.	610,602	565,785
Cervecería Cuauhtémoc Moctezuma, S.A. de C.V.	4,534,845	3,109,373
Grupo Cuauhtémoc Moctezuma, S.A. de C.V.	—	11,355,753
Heineken Americas	—	382,516
Other income:		
Cervejas Kaiser Brasil,, S.A. de C.V.	Ps —	446,840
Femsa Servicios, S.A. de C.V.	429	405
Interest expense:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.	Ps 116,431,643	266,280,855
Interest income:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.	Ps 40,888,842	104,877,444

Balances receivable from and payable to related parties as of December 31, 2014 and 2013 are as follows:

	2014	2013
Accounts receivable:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.(1)	Ps 360,155,035	2,318,072,535
Cervecería Cuauhtémoc Moctezuma, S.A. de C.V.(2)	496,922,077	598,411,749
Heineken España, S.A.(2)	15,445,765	12,112,094
Heineken Haiti(2)	2,538,041	4,641,275
Cerveceria Panama(2)	2,285,055	2,356,412
Heineken Nederland B.V.(2)	796,781	8,412,723
Cervejarias Kaiser Brasil, S.A.(2)	268,041	30,116,514
Heineken las Americas(2)	—	810,499
	Ps 878,410,795	2,974,933,801

	2014	2013
Accounts payable:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.(1)	Ps —	3,218,411,900
Sistemas Ambientales Industriales, S.A. de C.V.(2)	46,685	153,098
Grupo Cuauhtémoc Moctezuma, S.A. de C.V.(2)	6,981,437	33,478
Heineken International B.V.(2)	1,083,941	33,688
Heineken Nederland B.V.(2)	—	16,800
Cervecería Cuauhtémoc Moctezuma, S.A. de C.V.	41,036	7,625,879
	Ps 8,153,099	3,226,274,843
Related party financing:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.(3)	Ps —	200,000,000
Accounts payable long term:		
Cuauhtémoc Moctezuma Holding, S.A. de C.V.(1)	Ps —	50,595,854

(1) Corresponds to the concentrated cash flow account generated by the Group, accruing interest at market rate.
(2) Corresponds to the account receivable from the sale of product.
(3) The main balance corresponds to a note payable to Cuauhtémoc Moctezuma Holding, S.A. de C.V. Corresponds to a loan that accrues interest at an annual interest rate of 7.40% in a term of 91 days, plus a 7.0%.This loan started on April 30, 2009 and is due on October 11, 2014.

As of December 31, 2014 and 2013 the following balances and operations with other related parties are included in the statement of financial position and the statement of income.

	2014	2013
Accounts receivable from related parties:		
Industrial Nacional de Gaseosas, S.A. de C.V.(1)	Ps 4,817,085	5,053,004
Propimex, S.A. de C.V.(1)	4,757,851	4,836,308

(1) Recorded as part of total accounts receivable.

	2014	2013
Sales to:		
Industrial Nacional de Gaseosas, S.A. de C.V.	Ps 39,664,101	39,377,679
Propimex, S.A. de C.V.	44,374,610	43,121,570
Other income (expenses):		
Propimex, S.A. de C.V.	Ps 425,196	864,882
Femsa Servicios, S.A. de C.V.	16,094	66,026
Imbera, S.A. de C.V.	—	259,515

(9) Inventories-

Inventories include the following:

	2014	2013
Finished goods	Ps 182,465,644	188,900,808
Work in process	50,782,134	31,781,393
Raw material	241,367,761	224,358,483
Materials and spares	95,471,147	88,004,591
Merchandise in transit	267,892,891	132,842,794
	Ps 837,979,577	665,888,069

(10) Recoverable taxes

Recoverable taxes include the following:

	2014	2013
IETU	Ps —	90,565,728
	Ps —	90,565,728

(11) Prepaid expenses—

Other assets and prepaid expenses include the following:

	2014	2013
Foreign supplier fixed asset advance	Ps 11,500,902	10,512,511
Insurances	2,278,092	2,036,090
	Ps 13,778,994	12,548,601

(12) Property, plant and equipment—

Property, plant and equipment are analyzed as follows:

	2014	2013
Buildings	Ps 1,248,399,616	1,248,023,876
Machinery and equipment	6,414,295,056	6,364,666,578
Transportation equipment	44,654,073	47,069,106
Office furniture and equipment	50,447,025	50,110,659
Computer equipment	17,287,644	16,974,576
Pallets	68,600,413	139,059,562
	7,843,683,827	7,865,904,357
Less:		
Accumulated depreciation	(4,717,497,852)	(4,504,635,333)
Land	293,215,379	293,472,969
Constructions in process	68,423,461	47,896,932
	Ps 3,487,824,815	3,702,638,925

Constructions in process correspond to projects of the year in improvements of production processes, The Group estimate to invest Ps 40,477,834 in those constructions in process, which will be capitalized during the first half of 2015.

(13) Accruals

Accruals include the following:

	Bonuses and payments to personnel	Services	Electricity	Royalties	Taxes and fees	Others	Total
Balances as of December 31, 2013	Ps 63,947,473	17,731,248	9,022,715	5,345,220	3,795,296	7,348,212	107,190,164
Increases	398,892,309	265,797,710	145,521,487	52,551,250	24,683,051	183,228,398	1,070,674,205
Payments applied	(408,491,210)	(260,868,871)	(144,001,218)	(51,266,067)	(27,773,585)	(181,322,006)	(1,073,722,957)
Balances as of December 31, 2014	Ps 54,348,572	22,660,087	10,542,984	6,630,403	704,762	9,254,604	104,141,412

(14) Employee benefits—

The Group has several labor liabilities related to pensions, seniority premium, post-retirement medical services and retirement benefits.

The Group conducts an annual evolution of the fairness of the assumptions used in labor liability calculations. The actuarial calculations to determine the liabilities of the pension and retirement plan, seniority premium, post-retirement medical services and compensation, as well as the cost of the period, used the following long-term assumptions.

	2014	2013
Discount rate (net of inflation)	7.2%	7.6%
Rate of compensation increase	4.5%	4.5%
Expected return on plan assets	7.2%	7.0%
Average employee labor life remaining (applicable to retirement benefits)	17 years	18 years

The bases used for the determination of the long-term return rate are supported through a historical analysis of the average returns in terms of the last 30 years for the Federal Government Treasury Certificates for Mexican investments, Treasury Bonds of each country for other investments and of the long-term return expectations for the portfolio of investments currently used.

The balance of obligations as of December 31, 2014 and 2013 is presented below:

		Benefits		Retirement	Other post-retirement	
		Termination	Retirement	services	benefits	Total
2014						
Defined benefit obligations (DBO)	Ps	16,375,472	1,227,005,791	240,905,926	17,931,101	1,502,218,290
Financial position of the fund:						
Pension plan funds at fair value		—	(557,338,072)	(28,132,365)	—	(585,470,437)
Unrecognized past services:						
Plan modifications		—	(39,138,092)	—	—	(39,138,092)
Actuarial (losses)		—	(468,706,155)	(164,606,240)	(2,298,230)	(635,610,625)
Net projected liabilities	Ps	16,375,472	161,823,472	48,167,321	15,632,871	241,999,136

		Benefits		Retirement	Other post-retirement	
		Termination	Retirement	services	benefits	Total
2013						
Defined benefit obligations (DBO)	Ps	11,475,684	967,012,545	151,597,357	20,987,431	1,151,073,017
Financial position of the fund:						
Pension plan funds at fair value		—	(522,326,052)	(26,934,818)	—	(549,260,870)
Unrecognized past services:						
Plan modifications		—	(43,510,200)	—	—	(43,510,200)
Actuarial (losses)		—	(256,699,729)	(76,739,505)	(408,416)	(333,847,650)
Net projected liabilities	Ps	11,475,684	144,476,564	47,923,034	20,579,015	224,454,297

Cumulative actuarial gains or losses arose from the differences in the assumptions used in the actuarial calculations at the beginning of the year to the actual behavior of these variables of the actuarial period.

The assets of the fund include fixed and variable return instruments, valued at market value. The assets of the fund are invested in the following financial instruments:

	2014	2013
Fixed Return:		
Bank instruments	35%	32%
Federal government instruments	34%	36%
Variable Return:		
Shares listed in the stock market	30%	32%

The Group policy is to maintain at least 30% of the assets of the funds in Mexican Federal Government instruments.

There is an objective portfolio for the rest of the fund. The investments decisions are made to comply with this portfolio as the conditions of the market and the available resources allow it. The Group does not expect to generate contributions to the plan assets during the fiscal year.

The cost of the obligations as of December 31, 2014 and 2013 is presented below:

2014	Termination	Retirement	Retirement services	Other post-retirement benefits	Total
Net periodic cost (income):					
Labor cost	Ps 838,590	7,472,766	3,584,839	383,776	12,279,971
Service cost	624,770	11,205,344	—	385,730	12,215,844
Interest cost	56,961	—	—	54,656	111,617
Financial cost	1,100,719	33,270,585	9,289,696	1,057,674	44,718,674
Prior service cost:					
Amortization of transition (assets) liabilities	—	4,372,110	—	—	4,372,110
Effect for liquidation and early retirement	—	720,082	—	—	720,082
Actuarial loss (gain)	(3,152,970)	12,772,581	3,818,823	57,365	13,495,799
Net periodic cost	Ps (531,930)	69,813,468	16,693,358	1,939,201	87,914,097

2013	Termination	Retirement	Retirement services	Other post-retirement benefits	Total
Net periodic cost (income):					
Labor cost	Ps 633,976	8,077,570	4,076,604	680,543	13,468,693
Service cost	312,050	12,452,371	—	619,051	13,383,472
Interest cost	21,692	—	—	68,690	90,382
Financial cost	687,057	35,470,081	9,059,046	1,369,068	46,585,252
Prior service cost:					
Amortization of transition (assets) liabilities	—	1,037,992	—	(192,542)	845,450
Effect for liquidation and early retirement	(331,139)	(4,448,375)	(1,238,649)	(158,522)	(6,176,685)
Actuarial loss (gain)	(2,136,512)	14,675,623	3,762,514	(647,564)	15,654,061
Net periodic cost (income)	Ps (812,876)	67,265,262	15,659,515	1,738,724	83,850,625

(15) Income tax (IT), flat rate business tax (IETU) and employee statutory profit sharing (ESPS)—

On December 11, 2013, a decree was published in the Official Gazette whereby several tax provisions were amended, supplemented, and repealed. This decree became effective on January 1, 2014. Upon enactment of a new IT Law, the IETU Law and the IT Law in effect as of December 31, 2013 were repealed.

Under the tax law in force companies must pay the greater of their IT and IETU. If IETU is payable, the payment will be considered final, not subject to recovery in subsequent years.

According to the IT law in force through December 31, 2013, the IT rate was 30%. The IT law in force after January 1, 2014, establishes an IT rate of 30% for 2014 and thereafter.

The tax expense attributable to income from continuing operations before income taxes differed from the amounts computed by applying the Mexican statutory 30% IT rate to pretax income as a result of the following:

	2014	2013
"Expected" expense	Ps 422,090,690	322,066,963
Increase (reduction) resulting of:		
Tax effect of inflation, net	(23,996,475)	11,788,407
Non-deductible expenses	27,620,185	1,072,468
Cancellation of doubtful accounts	(6,268,200)	—
Effect from previous period	—	4,971,602
Income tax paid in the period corresponding to the previous one	1,709,454	11,762,086
Cancellation of unrealized liabilities	—	(1,047,861)
Others, net	(10,411,832)	10,466,472
Income tax expense	Ps 410,743,822	361,080,137

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities, as of December 31, 2014 and 2013, are presented below:

	2014	2013
Deferred assets:		
Allowance for doubtful accounts	Ps 464,325	6,495,179
Deferred charges	12,211,586	14,339,427
Employee benefits	72,599,741	67,336,288
Financial instruments to equity	3,945,537	32,723,519
Financial instruments	—	6,033,939
Liability accruals	31,664,376	31,394,860
Deductible ESPS	15,364,531	8,721,205
Deferred assets	136,250,096	167,044,417
Deferred liabilities:		
Advances to suppliers	—	3,764,580
Property, plant and equipment	366,117,937	373,138,595
Prepaid expenses	—	428,548
Financial instruments	—	267,049
Deferred liabilities	366,117,937	377,598,772
Deferred income tax, net	Ps 229,867,841	210,554,355

From a tax criterion related to property, plant and equipment as of December 31, 2014 and 2013, the temporary differences that give rise to significant portions of the deferred employee statutory profit sharing generate assets reserved at 100% in the periods then ended.

The deferred income tax liabilities rollforward for the years ended December 31, 2014 and 2013 are presented below:

	2014	2013
Balance at the beginning of the year	Ps 210,554,355	230,731,396
Benefit in operations	(9,197,447)	(24,446,778)
Effect on equity	28,510,933	4,269,737
Balance at the end of the year	Ps 229,867,841	210,554,355

(16) Stockholders' equity—

The main characteristics of stockholders' equity are described below:

(a) Structure of combined capital stock—

- On May 15, 2014, the Stockholders of Fábricas Monterrey, S.A. de C.V. agreed to reduce capital stock by Ps 389,805,000 by reimbursing 2,801,231,499 common shares with a par value of Ps 0.13915487 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 275,128,014 from the variable portion of capital stock, Ps 85,059,935 from the statutory reserve and Ps 29,621,789 from retained earnings.
- On May 26, 2014, the Stockholders of Fábricas Monterrey, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 400,000,000 by issuing 224,098,519,920 common shares with no par value paid in cash from Famosa, B.V.
- On May 15, 2014, the Stockholders of Sílices de Veracruz, S.A. de C.V. agreed to reduce capital stock by Ps 270,540,000, by reimbursing 5,707,278,799 common shares with a par value of Ps 0.05 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 124,648,272 from the variable portion of capital stock, Ps 25,683,672 from the statutory reserve and Ps 120,208,056 from retained earnings.
- On May 26, 2014, the Stockholders of Sílices de Veracruz, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 280,000,000 by issuing 855,402,823,426 common shares with no par value paid in cash from Sivesa, B.V.
- On May 15, 2014, the Stockholders of Sílice del Istmo, S.A. de C.V. agreed to reduce capital stock by Ps 63,546,000, by reimbursing 351,117 common shares with a par value of Ps 180.982408 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V., Heineken México Holding S.A. de C.V., Cervecería Cuauhtémoc Moctezuma, S.A. de C.V. and Sílices de Veracruz, S.A. de C.V. This reimbursement was for Ps 3,461,170 from the variable portion of capital stock, Ps 4,585,139 from the statutory reserve and Ps 55,499,691 from retained earnings.
- On May 26, 2014, the Stockholders of Sílice del Istmo, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 70,000,000 by issuing 491,563,800 common shares with no par value paid in cash from Sisa México, B.V.
- On May 15, 2014, the Stockholders of Prolatamex, S.A. de C.V. agreed to reduce capital stock by Ps 582,394,000, by reimbursing 10,110,000 common shares with a par value of Ps 57.6057369 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 10,060,000 from the variable portion of capital stock, Ps 86,583,000 from the statutory reserve and Ps 485,751,000 from retained earnings.
- On May 26, 2014, the Stockholders of Prolatamex, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 600,000,000 by issuing 121,320,000,000 common shares with no par value paid in cash from Famosa, B.V.
- On May 15, 2014, the Stockholders of Terrestratégicos, S.A. de C.V. agreed to reduce capital stock by Ps 56,682,000, by reimbursing 1,000,000 common shares with a par value of Ps 56.682 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 1,733,499 from the variable portion of capital stock, Ps 3,943,000 from the statutory reserve and Ps 51,005,501 from retained earnings.

- On May 26, 2014, the Stockholders of Terrestratégicos, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 60,000,000 by issuing 1,200,000,000 common shares with no par value paid in cash from Famosa, B.V.
- On May 15, 2014, the Stockholders of Cierres Herméticos, S.A. de C.V. agreed to reduce capital stock by Ps 101,637,999, by reimbursing 497,000,001 common shares with a par value of Ps 0.20446188 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 6,047,009 from the variable portion of capital stock, Ps 10,490,000 from the statutory reserve, Ps 85,100,446 from retained earnings and Ps 545 from the inflation of capital.
- On May 26, 2014, the Stockholders of Cierres Herméticos, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 110,000,000 by issuing 1,093,620,002,200 common shares with no par value paid in cash from Famosa, B.V.
- On May 15, 2014, the Stockholders of Glass & Sílice, S.A. de C.V. agreed to reduce capital stock by Ps 1,260,286,000, by reimbursing 714,363,446 common shares with a par value of Ps 1,762084 per share, without canceling shares to Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding S.A. de C.V. This reimbursement was for Ps 714,313,446 from the variable portion of capital stock, Ps 30,448,563 from the statutory reserve, Ps 509,860,344 from retained earnings and Ps 5,663,647 from paid-in surplus.
- On May 26, 2014, the Stockholders of Glass & Sílice, S.A. de C.V. agreed to increase the variable portion of capital stock in Ps 1,300,000,000 by issuing 18,573,449,596,000 common shares with no par value paid in cash from Sivesa, B.V.

After the above activity, capital stock as of December 31, 2014 is issued and paid in Ps 2,827,118,170 represented by 20,879,313,950,208 common registered shares with no par value. Of the referred-to capital stock, Ps 7,118,170 corresponds to minimum fixed capital stock not subject to withdrawal and the rest, Ps 2,820,000,000, represents the variable portion of capital stock.

(b) Other comprehensive income (OCI)—

As of December 31, 2014 and 2013, OCI includes:

	2014	2013
Valuation effect of financial instruments available for sale	Ps 95,036,442	14,232,456
Deferred taxes applied to the valuation effect of financial instruments available for sale	(28,510,933)	(4,269,737)
Total	Ps 66,525,509	9,962,719

Changes recorded in the components of OCI during 2014 and 2013 are presented below:

Cash flow hedging valuation

	OCI before income taxes	Income taxes	Net OCI
Balances as of January 1, 2013	Ps 122,420,689	(36,726,207)	85,694,482
Valuation of the period	(14,232,456)	4,269,737	(9,962,719)
Balances as of December 31, 2013	108,188,233	(32,456,470)	75,731,763
Valuation of the period	(95,036,442)	28,510,933	(66,525,509)
Balances as of December 31, 2014	Ps 13,151,791	(3,945,537)	9,206,254

(c) Dividends—

On July 15, 2013, the Stockholders agreed to pay dividends of Ps 245,000,000, by reimbursing 2,801,231,499 shares with a par value of Ps 0874 to each one to the stockholders of Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding, S.A. de C.V. for Ps 244,999,997 and Ps 3, respectively, which was charged to retained earnings.

On July 15, 2013, the Stockholders agreed to pay dividends of Ps 755,000,000, by refunding 10,110,000 shares with a par value of Ps 74.6785 each one to the stockholders of Cuauhtémoc Moctezuma Holding, S.A. de C.V. and Heineken México Holding, S.A. de C.V.

(d) Restrictions on stockholders' equity—

In accordance with the General Corporations Law, five percent of net income for the year must be appropriated to the statutory reserve, until it reaches one-fifth of capital stock. As of December 31, 2014, the statutory reserve amounts to Ps 2,632,429 (nominal value), and is presented in accumulated earnings.

Stockholder contributions restated as provided for by the tax law may be refunded to stockholders tax-free, to the extent that such contributions equal or exceed stockholders' equity.

Retained earnings and other reserves distributed as dividends, and the effects derived from capital reductions are taxed for IT purposes according to the rate in force, except for adjusted contributed capital stock, and if these distributions come from the Net Taxable Income Account ("CUFIN") or the Reinvested Net Taxable Income Account ("CUFINRE") on which no income tax (IT) has been paid are subject to income tax in the event of distribution, at the rate of 30%, payable by the Group; thus, the stockholders may only receive 70% of such amounts.

Dividends distributed in excess of these accounts will trigger IT on a grossed base to the rate in force. Starting 2003, this tax can be credited to the IT of the same year in which the dividends are paid and in the following two years, to the IT and estimated payments.

(17) Commitments and contingent liabilities—

(a) There is a contingent liability arising from employee benefits mentioned in note 3(m).

(b) The Group is involved in a number of lawsuits and claims arising in the normal course of business. The outcome of these matters is not expected to have significant adverse effects on the Group financial position and results of operations.

(c) In accordance with Mexican tax law, the tax authorities are entitled to examine transactions carried out during the five years prior to the most recent income tax return filed.

(d) In accordance with the Income Tax Law, companies carrying out transactions with related parties are subject to certain requirements as to the determination of prices, which should be similar to those that would be used in arm's-length transactions.

Should the tax authorities examine the transactions and reject the related-party prices, they could assess additional taxes plus the related inflation adjustment and interest, in addition to penalties of up to 100% of the omitted taxes.

(e) From the sale to Crown Holdings mentioned in note 2 the group has analyzed certain contracts that should be cancelled when Crown formally takes possession as new stockholder. As of December 31, 2014, the company has identified an estimate of the possible payment of penalization from early termination of the contract with Ball Corporation, Inc which amounts to Ps 3,868,096.

(f) The group filed a suit for nullity against various tax credits filed by the Agency Rio Bravo Basin National Commission in the amount of Ps 11,227,956 for water rights during 2007-2011, when the concession was granted and exploited until 2012. The Third Northeast Regional Chamber of the Federal Court of Fiscal and Administrative Justice upheld the validity of those resolutions. The Group filed a direct appeal against the judgment of the Regional Chamber. As of February 23, 2015, the Group does not consider an outflow of economic resources and legal counsel believe that the trial will be resolved favorably.

(18) Subsequent event—

On February 11, 2015, the approval by the Federal Economic Competence Commission (Comision Federal de Competencia Economica (COFECE)) of the sale of the company as part of the group of companies of Heineken Empaque México to Crown Holdings, Inc was announced.

(19) Recently issued financial reporting standards—

The Consejo Mexicano de Normas de Información Financiera, A. C. (CINIF) has issued the FRS and Revisions listed below:

FRS C-3 ***"Accounts receivable"***—FRS C-3 is effective for years beginning January 1, 2018, and is applicable retrospectively; however, early adoption is permitted, starting January 1, 2016, provided it takes place concurrently with FRS C-20 "Financing instruments receivable". Some of the primary changes resulting from the adoption of this FRS are as follows:

- FRS C-3 provides that accounts receivable based on a contract are deemed financial instruments. On the other hand, some other accounts receivable, resulting from legal or tax provisions, may include certain characteristics of a financial instrument, such as bearing interest, though these are not deemed financial instruments.
- FRS C-3 sets out that the allowance for doubtful trade receivables shall be recognized as revenue is earned, based on the expected credit losses presenting the allowance under expenses, separately when significant in the statement of comprehensive income.
- FRS C-3 provides that, from the initial recognition, the money value in time shall be considered. Therefore, should the effect of the present value of the account receivable be significant in view of its term, an adjustment must be made taking into consideration such present value.
- Reconciliation between the initial and final balances of the allowance for doubtful accounts is required for each period presented.

FRS C-9 ***"Provisions, Contingencies and Commitments"***—FRS C-9 is effective for years beginning on or after January 1, 2018; early adoption is allowed as of January 1, 2016 provided that it takes place concurrently with the initial adoption of FRS C-19 "Financial instruments payable". FRS C-9 supersedes Bulletin C-9 "Liabilities, Provisions, Contingent Assets and Liabilities and Commitments". The first-time adoption of this FRS does not produce accounting changes in the combined financial statements. Some of the main points covered by this FRS include the following:

- The scope is reduced by moving the subject concerning the accounting treatment of financial liabilities to FRS C-19 "Financial instruments payable".
- The definition of "liability" is changed by eliminating the qualifier "virtually unavoidable" and including the word "probable".
- The terminology employed throughout the standard is updated to standardize its presentation to the rest of the FRS.

FRS C-19 "Financial instruments payable"—FRS C-19 is effective for years beginning on or after January 1, 2018 with retrospective effects and early adoption is allowed as of January 1, 2016 provided that it takes place concurrently with the adoption of FRS C-9 "Provisions, contingencies and commitments", FRS C-3 "Accounts receivable" and FRS C-20 "Financing instruments receivable"- Some of the main points covered by this FRS include the following:

- It provides for the possibility of measuring, subsequent to their initial recognition, certain financial liabilities at fair value when certain conditions are fulfilled.
- Long-term liabilities are initially recognized at present value.
- In restructuring a liability, without the future cash flows for its settlement being substantially modified, the costs and commissions expensed in this process shall affect the amount of the liability and be amortized on a modified effective interest rate basis instead of directly affecting the net income or loss.
- It includes the provisions of IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments", which was not provided for by the existing standard.
- The effect of extinguishing a financial liability should be presented as a financial result in the comprehensive statement of income.
- It introduces the concepts of amortized cost in valuing financial liabilities and of the effective interest method based on the effective interest rate.

FRS C-20 *"Financing instruments receivable"*—FRS C-20 shall be effective for years beginning January 1, 2018, and is applicable retrospectively. Early adoption is allowed as of January 1, 2016 provided that it takes place concurrently with the initial adoption of FRS C-3 "Accounts receivable" and supersedes the provisions set forth in Bulletin C-3 in this regard. Some of the main aspects resulting from the adoption of this FRS are as follows:

- Classification of financial instruments within assets. To determine such classification, the concept of intention to acquire and hold financial instruments has been removed. Instead, the concept of business management model is adopted, either for obtaining a contractual yield, generating a contractual yield and selling in order to achieve certain strategic objectives, or generating earnings from the purchase and sale thereof, in order to classify them in accordance with the respective model.
- The valuation effect of investments in financial instruments is also focused on the business model.
- The reclassification of financial instruments is not permitted among financing instruments receivable, of financing instruments for collection and sale and negotiable instruments, unless the entity changes its business model.
- An embedded derivative that modifies the cash flows of principal and interest is not separated from its host receivable financial instrument. The entire receivable financial instrument shall be measured at fair value, as if it were a negotiable financial instrument.

FRS D-3 *"Employee benefits"*—FRS D-3 is effective for years beginning on or after January 1, 2016 with retrospective effects and early adoption is allowed as of January 1, 2015. FRS D-3 supersedes the provisions in FRS D-3. Main changes include the following:

- **Direct benefits**—The classification of direct short-term benefits was modified and the recognition of deferred Employee Statutory Profit Sharing (ESPS) was ratified.
- **Termination benefits**—The bases were modified for identifying when payments for the termination of a work relationship actually meet post-employment benefits or when they are termination benefits.

- **Post-employment benefits—**Among others, the following were modified: the accounting recognition of multi-employer plans; government plans and plans of entities under common control; the recognition of the net defined benefit liability (asset); the bases for determining the actuarial hypothesis in the discount rate; the recognition of the Past Service Cost (PSC) and of the Early Settlement of Obligations (ESO).
- **Remeasurements—**In recognizing post-employment benefits, the corridor approach is eliminated in the treatment of the plan's profits and losses (PPL); therefore, they are recognized as accrued and recognized directly in Other Comprehensive Income ("OCI"), requiring their recycling to the period's net profit or loss under certain conditions.
- **Plan Asset Ceiling (PA)**—Identifies a plan asset ceiling and specifies which entity contributed funds do not qualify as such.
- **Recognition in profit or loss of PM, SR and gains or losses from Early Settlement of Obligations (ESO)—**In post-employment benefits, the totality of the Prior Service Cost (PSC) of Plan Modifications (PM), Staff Reductions (SR) and the gains or losses from Early Settlement of Obligations (ESO) are immediately recognized in profit or loss.
- **Discount rate—**Establishes that the discount rate of Defined Benefit Obligations (DBO) is based on investment grade corporate bond rates (deep market) and, in their absence, on government bond rates.
- **Termination benefits—**Requires an analysis as to whether separation payments qualify as termination benefits or are actually post-employment benefits and notes that if the benefit is non-cumulative with no preexisting granting conditions, it is a termination benefit and, therefore, it should be recognized when the event occurs. However, if preexisting conditions are present, either contractually, by law or payment practices, it is deemed a cumulative benefit and should be recognized as a post-employment benefit.

2015 FRS Revisions

In December 2014, CINIF issued the document referred to as "2015 FRS Revisions", which contains precise modifications to some FRS. The modifications that bring about accounting changes are listed below:

Bulletin C-9 "Liabilities, provisions, contingent assets and liabilities and commitments"— Bulletin C-9 provides that foreign currency advances should be recognized at the exchange rate prevailing on the date of the transaction; that is, at the historical exchange rate. Such amounts should not be modified by subsequent exchange fluctuations between the functional currency and the foreign currency in which the price of goods and services related to such advance payments are denominated. This revision is effective for periods beginning on or after January 1, 2015 and the accounting changes that arise should be recognized retrospectively

Management estimates that the new FRS and the revisions to FRS will be immaterial.

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

REGISTERED OFFICE OF CROWN EUROPEAN HOLDINGS SA

67 Rue Arago
93400 Saint-Ouen, France

REGISTERED OFFICE OF CROWN HOLDINGS, INC.

One Crown Way
Philadelphia, Pennsylvania 19154
United States

LEGAL ADVISORS TO CROWN EUROPEAN HOLDINGS SA

as to U.S. law
Dechert LLP
2929 Arch Street
Philadelphia, Pennsylvania 19104
United States

as to French law
Dechert (Paris) LLP
32 rue de Monceau
75008 Paris
France

LEGAL ADVISORS TO THE INITIAL PURCHASERS

as to U.S. law
Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005
United States

as to French law
Gide Loyrette Nouel
26, Cours Albert 1er
75008 Paris
France

INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

To Crown Holdings, Inc.
PricewaterhouseCoopers LLP
Two Commerce Square
2001 Market Street, Suite 1700
Philadelphia, Pennsylvania 19103
United States

To Empaque Mexico:
KPMG Cárdenas Dosal, S.C.
Blvd. Manuel Avila Camacho 176 Pl
Mexico D.F. CP 11650

LUXEMBOURG LISTING AGENT

Société Générale Securities Services Luxembourg S.A.
28-32 Place de la gare
L-1616 Luxembourg

PRINCIPAL PAYING AGENT

Elavon Financial Services Limited, UK Branch
Level 5, 125 Old Broad Street
London EC2N 1AR

REGISTRAR AND TRANSFER AGENT

Elavon Financial Services Limited
Block E, Cherrywood Business Park
Loughlingstown, Dublin

U.S. TRUSTEE

U.S. Bank National Association
Two Liberty Place
50 South 16th Street, Suite 2000
Mail Station: EX-PA-WBSP
Philadelphia, PA 19102

We have not authorized any dealer, salesperson or other person to give any information or represent anything to you other than the information contained in this offering memorandum. You must not rely on unauthorized information or representations.

This offering memorandum does not offer to sell or ask for offers to buy any of the securities in any jurisdiction where it is unlawful, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities.

The information in this offering memorandum is current only as of the date on its cover, and may change after that date. For any time after the cover date of this offering memorandum, we do not represent that our affairs are the same as described or that the information in this offering memorandum is correct—nor do we imply those things by delivering this offering memorandum or selling securities to you.

TABLE OF CONTENTS

	Page
Summary	1
Risk Factors	21
Use of Proceeds	52
Capitalization	53
Selected Historical Financial Data for Crown	55
Management's Discussion and Analysis of Financial Condition and Results of Operations	57
Crown's Business	75
Management	86
Beneficial Ownership	89
Description of Certain Indebtedness	91
Description of the Notes	98
Book-Entry; Delivery and Form	144
Certain Material U.S. Federal Income Tax Considerations	148
Material French Tax Considerations	154
Notice to Investors	157
Private Placement	161
Legal Matters	164
Independent Registered Public Accounting Firm	164
Available Information	164
Incorporation of Documents by Reference	164
General Information	165
Index to Financial Statements	F-1

€600,000,000

CROWN HOLDINGS, INC.

Crown European Holdings S.A.

3.375% Senior Notes due 2025

Unconditionally Guaranteed By

Crown Holdings, Inc.

OFFERING MEMORANDUM

Joint Physical Book-Running Managers

BNP PARIBAS
BofA Merrill Lynch

Joint Book-Running Managers

Banco Bilbao Vizcaya Argentaria, S.A.
Crédit Agricole CIB
Deutsche Bank
HSBC
Santander
Wells Fargo Securities
UniCredit Bank

Co-Managers

Barclays
Mizuho Securities
Scotiabank
TD Securities

April 28, 2015