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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 30, 2018
OR

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

For the transition period from to .
Commission file number: 1-12983

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

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

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

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

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

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

(Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

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

Class	Outstanding at May 1, 2018
Common Stock, $0.01 par value	50,729,935

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

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

GENERAL CABLE CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in millions, except per share data) (unaudited)

	Three Fiscal Months Ended	
	March 30, 2018	March 31, 2017
Net sales	$ 1,020.5	$ 918.2
Cost of sales	914.8	799.2
Gross profit	105.7	119.0
Selling, general and administrative expenses	71.4	94.8
Operating income	34.3	24.2
Other income (expense)	(15.6)	14.6
Interest income (expense):		
Interest expense	(19.2)	(20.7)
Interest income	0.9	0.6
	(18.3)	(20.1)
Income (loss) before income taxes	0.4	18.7
Income tax (provision) benefit	(4.6)	(6.3)
Net income (loss) including noncontrolling interest	(4.2)	12.4
Less: net income (loss) attributable to noncontrolling interest	0.1	—
Net income (loss) attributable to Company common shareholders	$ (4.3)	$ 12.4
Earnings (loss) per share - Net income (loss) attributable to Company common shareholders per common share		
Earnings (loss) per common share-basic	$ (0.08)	$ 0.25
Earnings (loss) per common share-assuming dilution	$ (0.08)	$ 0.24
Dividends per common share	$ 0.18	$ 0.18
Comprehensive income (loss):		
Net income (loss)	$ (4.2)	$ 12.4
Currency translation gain (loss)	2.9	8.6
Defined benefit plan adjustments, net of tax of $0.2 million in the three fiscal months ended March 30, 2018 and $0.4 million in the three fiscal months ended March 31, 2017	0.8	0.8
Comprehensive income (loss), net of tax	(0.5)	21.8
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	0.1	(0.1)
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$ (0.6)	$ 21.9

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	March 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 53.5	$ 84.7
Receivables, net of allowances of $19.3 million at March 30, 2018 and $19.2 million at December 31, 2017	811.9	714.2
Inventories	728.7	736.1
Prepaid expenses and other	61.5	60.0
Total current assets	1,655.6	1,595.0
Property, plant and equipment, net	526.1	530.3
Deferred income taxes	7.2	7.9
Goodwill	11.0	11.0
Intangible assets, net	22.1	23.3
Unconsolidated affiliated companies	0.2	0.2
Other non-current assets	58.1	67.6
Total assets	$ 2,280.3	$ 2,235.3
Liabilities and Total Equity		
Current liabilities:		
Accounts payable	$ 444.9	$ 437.5
Accrued liabilities	254.5	308.8
Current portion of long-term debt	33.9	46.9
Total current liabilities	733.3	793.2
Long-term debt	1,135.5	1,038.8
Deferred income taxes	114.4	108.6
Other liabilities	163.8	162.9
Total liabilities	2,147.0	2,103.5
Commitments and contingencies (see Note 19)		
Total Equity:		
Common stock, $0.01 par value, issued and outstanding shares:		
March 30, 2018 – 50,728,522 (net of 7,910,174 treasury shares)		
December 31, 2017 – 50,583,870 (net of 8,054,826 treasury shares)	0.6	0.6
Additional paid-in capital	704.7	706.6
Treasury stock	(149.9)	(151.9)
Retained earnings (deficit)	(197.7)	(195.3)
Accumulated other comprehensive income (loss)	(227.1)	(230.8)
Total Company shareholders' equity	130.6	129.2
Noncontrolling interest	2.7	2.6
Total equity	133.3	131.8
Total liabilities and equity	$ 2,280.3	$ 2,235.3

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	Three Fiscal Months Ended	
	March 30, 2018	March 31, 2017
Cash flows of operating activities:		
Net income (loss) including noncontrolling interest	$ (4.2)	$ 12.4
Adjustments to reconcile net income (loss) to net cash flows of operating activities:		
Depreciation and amortization	17.1	19.5
Foreign currency exchange (gain) loss	2.1	(2.0)
Deferred income taxes	3.4	(2.3)
Non-cash interest charges	1.0	1.0
(Gain) loss on disposal of subsidiaries	—	3.5
(Gain) loss on disposal of property	—	2.9
Changes in operating assets and liabilities, net of effect of divestitures:		
(Increase) decrease in receivables	(24.6)	(1.9)
(Increase) decrease in inventories	(36.5)	(42.8)
(Increase) decrease in other assets	(6.9)	(2.5)
Increase (decrease) in accounts payable	8.2	19.1
Increase (decrease) in accrued and other liabilities	(45.1)	(95.4)
Net cash flows of operating activities	(85.5)	(88.5)
Cash flows of investing activities:		
Capital expenditures	(13.0)	(35.2)
Proceeds from properties sold	—	0.3
Disposal of subsidiaries, net of cash disposed of	—	5.3
Net cash flows of investing activities	(13.0)	(29.6)
Cash flows of financing activities:		
Dividends paid to shareholders	(9.2)	(9.4)
Proceeds from debt	538.8	731.7
Repayments of debt	(459.5)	(622.4)
Net cash flows of financing activities	70.1	99.9
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1.9)	0.8
Increase (decrease) in cash, cash equivalents and restricted cash	(30.3)	(17.4)
Cash, cash equivalents and restricted cash – beginning of period	96.2	103.6
Cash, cash equivalents and restricted cash – end of period	$ 65.9	$ 86.2
Supplemental Information		
Cash paid during the period for:		
Income tax payments, net of refunds	$ 6.7	$ 2.6
Interest paid	$ 21.9	$ 22.9
Non-cash investing and financing activities:		
Capital expenditures included in accounts payable	$ 3.0	$ 11.1

See accompanying Notes to Condensed Consolidated Financial Statements.

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

		General Cable Total Equity					
	Total Equity	Common Stock	Additional Paid in Capital	Treasury Stock	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income/(Loss)	Noncontrolling Interest
Balance, December 31, 2017	$ 131.8	$ 0.6	$ 706.6	$ (151.9)	$ (195.3)	$ (230.8)	$ 2.6
Cumulative effect of accounting change	11.1				11.1		
Comprehensive income (loss)	(0.5)				(4.3)	3.7	0.1
Common stock dividend	(9.2)				(9.2)		
Stock options and RSU expense	1.7		1.7				
Other – issuance pursuant to restricted stock, stock options and other	(1.6)		(3.6)	2.0			
Balance, March 30, 2018	$ 133.3	$ 0.6	$ 704.7	$ (149.9)	$ (197.7)	$ (227.1)	$ 2.7

		General Cable Total Equity					
	Total Equity	Common Stock	Additional Paid in Capital	Treasury Stock	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income/(Loss)	Noncontrolling Interest
Balance, December 31, 2016	$ 168.9	$ 0.6	$ 711.0	$ (169.9)	$ (102.2)	$ (286.4)	$ 15.8
Comprehensive income (loss)	21.8				12.4	9.5	(0.1)
Common stock dividend	(9.4)				(9.4)		
Stock options and RSU expense	1.6		1.6				
Other – issuance pursuant to restricted stock, stock options and other	(1.9)		(6.7)	3.9	0.9		
Balance, March 31, 2017	$ 181.0	$ 0.6	$ 705.9	$ (166.0)	$ (98.3)	$ (276.9)	$ 15.7

See accompanying Notes to Condensed Consolidated Financial Statements.

GENERAL CABLE CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (unaudited)

1. Basis of Presentation and Principles of Consolidation

The accompanying unaudited Condensed Consolidated Financial Statements of General Cable Corporation and subsidiaries ("General Cable" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results of operations for the three fiscal months ended March 30, 2018 are not necessarily indicative of results that may be expected for the full year. The December 31, 2017 Condensed Consolidated Balance Sheet amounts are derived from the audited financial statements. These financial statements should be read in conjunction with the audited financial statements and notes thereto in General Cable's 2017 Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2018.

The Company's first three fiscal quarters consist of 13-week periods ending on the Friday nearest to the end of the calendar months of March, June and September. The Company's fourth fiscal quarter consists of the first day following the third quarter through December 31.

The Condensed Consolidated Financial Statements include the accounts of wholly-owned subsidiaries and majority-owned controlled subsidiaries. The Company records its investment in each unconsolidated affiliated Company (generally 20-50 percent ownership in which it has the ability to exercise significant influence) at its respective equity in net assets. Other investments (generally less than 20% percent ownership) are recorded at cost. All intercompany transactions and balances among the consolidated companies have been eliminated.

2. Accounting Standards

The Company's significant accounting policies are described in Note 2 to the audited financial statements in the 2017 Annual Report on Form 10-K. Except for the changes below, the Company did not change any of its existing accounting policies that are expected to have a significant effect on the Company's condensed consolidated financial statements in the three fiscal months ended March 30, 2018.

The following accounting pronouncements were adopted and became effective with respect to the Company in 2018:

In May 2017, the FASB issued ASU 2017-09 "Compensation-Stock Compensation (Topic 718)." This update provides clarification on when modification accounting should be used for changes to the terms or conditions of a share-based payment award. This ASU does not change the accounting for modifications but clarifies that modification accounting guidance should only be applied if there is a change to the value, vesting conditions or award classification and would not be required if the changes are considered non-substantive. This update was effective for the Company beginning January 1, 2018. The adoption of this ASU did not have a material effect on the Company's condensed consolidated financial statements.

In March 2017, the FASB issued ASU 2017-07, "Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." This update requires presentation of the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of pension expense are required to be presented separately from the service cost component and outside a subtotal of income from operations. The update requires retrospective application and represents a change in accounting principle. This standard was adopted on January 1, 2018 and pension expense of $0.4 million, previously recorded in Cost of sales, is now presented in Other income (expense) on the Company's Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three fiscal months ended March 31, 2017.

In November 2016, the FASB issued ASU 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash." This ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, entities will no longer present transfers between cash and restricted cash in the statement of cash flows and amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The new guidance requires retrospective application and was adopted by the Company on January 1, 2018. The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Condensed Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Condensed Consolidated Statement of Cash Flows.

(in millions)	March 30, 2018	December 31, 2017
Cash and cash equivalents	$ 53.5	$ 84.7
Restricted cash included in prepaid expenses and other	2.3	1.4
Restricted cash included in other non-current assets	10.1	10.1
Total cash, cash equivalents and restricted cash shown in the Condensed Consolidated Statement of Cash Flows	$ 65.9	$ 96.2

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers (Topic 606).” This ASU outlines a single, comprehensive model for accounting for revenue from contracts with customers which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU requires expanded qualitative and quantitative disclosures relating to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers, including significant judgments and changes in judgments. The standard accelerates the timing of when revenue is recognized for arrangements involving consignment inventory and arrangements when the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. This standard was adopted on January 1, 2018 using the modified retrospective (cumulative effect) transition method and represents a change in accounting policy. Results for the reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with the Company's historic accounting under Topic 605. The impact to beginning retained earnings was approximately $11.1 million due to the recognition of revenue related to consignment inventory and no alternative use inventory. Refer to Note 6 - Revenue for more information.

The following accounting pronouncements will become effective in future periods with respect to the Company:

In February 2018, the FASB issued ASU 2018-02 “Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income.” This update allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Reform Act. This update is effective for annual and interim periods beginning after December 15, 2018 and should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Reform Act is recognized. Early adoption is permitted for any interim and annual financial statements that have not yet been issued. The Company is currently evaluating the impact of this standard on the Company's consolidated financial statements.

In August 2017, the FASB issued ASU 2017-12 “Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities.” This update amends and simplifies existing guidance in order to better align hedge accounting with risk management activities, simplify the hedge accounting requirements, and improve the presentation and disclosure of hedging arrangements. The update is effective for annual and interim reporting periods beginning after December 15, 2018. Early adoption is permitted for any interim and annual financial statements that have not yet been issued. The Company is currently evaluating the impact of this standard on the Company's consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, "Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment." This update eliminates Step 2 from the goodwill impairment test that requires the impairment to be measured as the difference between the implied value of a reporting unit’s goodwill and the goodwill’s carrying amount. Instead, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The update is effective for annual and interim reporting periods beginning after December 15, 2019 and should be applied on a prospective basis. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. ASU 2017-04 is not expected to have a material impact on the Company’s consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." The standard requires lessees to recognize the assets and liabilities that arise from leases on the balance sheet. A lessee should recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The new guidance is effective for annual and interim reporting periods beginning after December 15, 2018. The amendments should be applied at the beginning of the earliest period presented using a modified retrospective approach with earlier application permitted as of the beginning of an interim or annual reporting period. The Company is currently evaluating the impact of the pending adoption of ASU 2016-02 on the consolidated financial statements. The Company expects that most of our operating lease commitments will be subject to the new standard and recognized as operating lease liabilities and right-of-use assets upon the adoption of ASU 2016-02. The standard is expected to increase Total assets and Total liabilities on the Company's Consolidated Balance Sheets. The standard is not expected to have a material impact on the Company's Consolidated Statements of Operations and Comprehensive Income (Loss).

3. Merger Agreement with Prysmian S.p.A.

On December 3, 2017, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”), among the Company, Prysmian S.p.A., a company organized under the laws of the Republic of Italy (“Parent”), and Alisea Corp., a Delaware corporation and a wholly-owned subsidiary of Parent (“Merger Sub”), providing for the merger of Merger Sub with and into the Company (the “Merger”), with the Company surviving the Merger as a wholly owned subsidiary of Parent. Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each issued and outstanding share of common stock of the Company (each, a “Share”), except for certain excluded shares, will automatically be cancelled and converted into the right to receive $30.00 in cash, without interest.

The board of directors of the Company (i) unanimously determined that the Merger is fair to, and in the best interests of, the Company and its stockholders, (ii) approved and declared advisable the Merger Agreement and the Merger and the other transactions contemplated by the Merger Agreement, (iii) resolved to recommend adoption of the Merger Agreement to the holders of Shares and (iv) directed that the Merger Agreement be submitted to the holders of Shares for their adoption.

Consummation of the Merger is subject to the satisfaction or waiver of specified closing conditions, including (i) the adoption of the Merger Agreement by the holders of a majority of the outstanding Shares entitled to vote on such matter at a meeting of the holders of Shares duly called and held for such purpose, (ii) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (“HSR Act”), (iii) the adoption of a decision by the European Commission pursuant to Regulation (EC) 139/2004 of the European Union (“EU Merger Regulation”) declaring that the Merger is compatible with the internal market, (iv) the approval by certain other requisite governmental regulators and authorities, (v) a thirty-day period beginning on the date the Company provides written notice to the DOJ of the Merger in accordance with the Non-Prosecution Agreement, dated as of December 22, 2016, between the Company and the DOJ (the “DOJ Agreement”), will have expired and the DOJ Agreement will remain in full force and effect, and (vi) other customary closing conditions, including (a) the absence of any law or order prohibiting the Merger or the other transactions contemplated by the Merger Agreement, (b) the accuracy of each party’s representations and warranties (subject to customary materiality qualifiers) and (c) each party’s performance of its obligations and covenants contained in the Merger Agreement.

On February 16, 2018, the Company held a special meeting of its common stockholders to vote on proposals identified in the Company’s definitive proxy statement filed with the Securities and Exchange Commission on January 16, 2018. The proposal to adopt the Merger Agreement received the affirmative vote of approximately 75.34% of the holders of the shares of common stock entitled to vote on this proposal, representing approximately 99% of the total votes cast. The Company provided written notice to the DOJ of the Merger in accordance with the DOJ Agreement on December 19, 2017. The applicable waiting period under the HSR Act expired at 11:59 p.m. on March 7, 2018.

On May 4, 2018, the notice period under International Traffic in Arms Regulations §122.4(b) relating to the Merger expired.

The Merger Agreement includes customary representations, warranties and covenants of the Company, Parent and Merger Sub. The Company has also made certain covenants in the Merger Agreement, including covenants regarding the operation of the business of the Company and its subsidiaries prior to the Effective Time. The Company has also agreed to a customary non-solicitation covenant in the Merger Agreement prohibiting the Company from (a) soliciting, providing information or engaging or participating in any discussions or negotiations regarding proposals relating to alternative business combination transactions, or (b) entering into an acquisition agreement in connection with such an alternative business combination transaction, in each case, except as permitted under the Merger Agreement.

The Merger Agreement may be terminated by each of the Company and Parent under certain circumstances, including if the Merger is not consummated by June 3, 2018 (subject to one 90-day extension that may be elected by either the Company or Parent if certain regulatory approvals required in connection with the Merger have not been obtained). The Merger Agreement provides for

Table of Contents

certain other customary termination rights for the Company and Parent, subject to the payment by the Company of a termination fee in the amount of $47 million in certain circumstances, including if the Company terminates the Merger Agreement in order to accept a superior proposal for an alternative business combination transaction of the type described in the relevant provisions of the Merger Agreement. The parties to the Merger Agreement are also entitled to an injunction or injunctions to prevent breaches of the Merger Agreement, and to specifically enforce the terms and provisions of the Merger Agreement.

The representations, warranties and covenants of each of the Company, Parent, and Merger Sub contained in the Merger Agreement have been made solely for the benefit of the parties to the Merger Agreement. In addition, such representations, warranties and covenants (i) have been made only for purposes of the Merger Agreement, (ii) have been qualified by confidential disclosures made by the Company in connection with the Merger Agreement, (iii) are subject to materiality qualifications contained in the Merger Agreement which may differ from what may be viewed as material by investors, (iv) were made only as of the date of the Merger Agreement or such other date as is specified in the Merger Agreement and (v) have been included in the Merger Agreement for the purpose of allocating risk between the contracting parties rather than establishing matters as facts. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties or any of its subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the public disclosures by the parties or their subsidiaries. The Merger Agreement should not be read alone, but should instead be read in conjunction with the other information regarding the parties that is or will be contained in, or incorporated by reference into, the Forms 10-K, Forms 10-Q and other documents that the Company files with the SEC.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement.

As of March 30, 2018, the Company has incurred total aggregate merger-related expenses of $18.6 million. During the three fiscal months ended March 30, 2018, the Company recognized $2.4 million of merger-related expenses in the Selling, general and administrative ("SG&A") expenses caption in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Treatment of Stock-Based Awards and Performance Awards

At the effective time of the Merger, each stock option outstanding immediately prior to the effective time of the Merger (whether vested or unvested) will be cancelled and converted into the right to receive (without interest) an amount in cash equal to the excess, if any, of $30.00 over the exercise price per share under such stock option. Each option for which the exercise price per share is equal to or greater than $30.00 shall be cancelled at the effective time without payment of consideration.

At the effective time of the Merger, (i) each Company restricted stock unit (“RSU”) award held by a non-employee director that is outstanding immediately prior to the effective time of the Merger will be accelerated and converted into the right to receive (without interest) an amount in cash equal to $30.00 with respect to each share of Company common stock underlying such award, and (ii) each Company RSU award not held by a non-employee director that is outstanding immediately prior to the effective time of the Merger will be converted into an award representing the right to receive (without interest and less applicable withholding taxes) an amount in cash equal to $30.00, which shall be subject to the same terms and conditions that were applicable to such restricted stock unit award immediately prior to the effective time, provided that any performance-based vesting condition measured over a period of one year will be deemed satisfied and the converted award will vest on the earlier of (A) the originally scheduled vesting date and (B) the date that is six months following the closing date, subject to continued employment with Parent and its subsidiaries through such applicable date (or upon the holder’s earlier termination by Parent, the surviving corporation or any of their respective affiliates without “cause” or for “good reason” (as each term is defined in the Company’s 2015 Stock Incentive Plan)).

At the effective time of the Merger, each Company performance-based stock unit (“PSU”) award outstanding immediately prior to the effective time of the Merger will be cancelled and converted into an award representing the right to receive (without interest and less applicable withholding taxes) an amount in cash equal to the number of shares subject to the award multiplied by $30.00. The number of shares of the Company’s common stock subject to such PSU will be determined (i) for any award with a performance period commencing as of January 1, 2016, based on actual performance as determined by the Compensation Committee of the Board and (ii) for any award with a performance period commencing as of January 1, 2017, based on performance deemed satisfied at the target level. Each converted PSU award will be subject to the same terms and conditions that were applicable immediately prior to the effective time, provided that as of the effective time, the performance-vesting conditions shall no longer apply and each award shall be subject solely to service-based vesting. For Company PSU awards with a performance period commencing as of January 1, 2015, settlement is expected to occur prior to the effective time of the merger and will be based on the actual level of achievement of the applicable performance goals.

Table of Contents

Treatment of Outstanding Debt

The Company has agreed to (and to cause its subsidiaries to) issue, upon Parent’s written request, a notice of optional redemption on the closing date for all of the outstanding aggregate principal amount of the Company’s 5.75% Senior Notes due 2022 ("5.75% Senior Notes") issued pursuant to the indenture, dated September 25, 2012, among the Company, certain of its subsidiaries party thereto as guarantors, and U.S. Bank National Association and to provide any other cooperation reasonably requested by Parent to facilitate the satisfaction and discharge of the Company’s 5.75% Senior Notes, if elected by Parent, effective as of the closing date, or at such later date at Parent’s election.

Additionally, the Company will, and will cause its subsidiaries to, take all actions required to repay in full on the closing date all obligations then outstanding under the credit agreement and to use reasonable best efforts to cause the release on the closing date of all liens securing obligations under the credit agreement.

The Company and its subsidiaries will also take certain actions with respect to and pursuant to the terms of the Asset-Based Revolving Credit Facility ("Revolving Credit Facility"), the 5.75% Senior Notes and the Subordinated Convertible Notes due 2029 ("Subordinated Convertible Notes") that are required to be performed by the Company or its subsidiaries at or prior to the effective time of the Merger as a result of the execution and delivery of the Merger Agreement, the Merger and the other transactions contemplated thereby, including the giving of notices or execution and delivery of certain documents. If the closing date of the merger would have been March 30, 2018, each holder of a Subordinated Convertible Note with a principal amount of $1,000 who elected to convert such Subordinated Convertible Note in connection with the merger pursuant to the Subordinated Convertible Notes indenture would have been entitled to receive $1,081.58 for such Subordinated Convertible Note.

In addition, the Company will use its reasonable best efforts to (and to cause its subsidiaries to) take any actions that are reasonably requested by Parent with respect to the treatment specified by Parent of any other indebtedness of the Company.

4. Divestitures

Since October 2014, the Company has completed the following as of March 30, 2018 (in millions):

Asia Pacific divestitures

Entity	Sale / Closure	Sale / Closure Date	Gross Proceeds	Pre-tax Gain / (Loss) (1)
General Cable New Zealand Limited ("New Zealand")	Closure	Fourth Quarter 2017	$ 10.3	$ 5.4
General Cable (Tianjin) Alloy Products Company Limited ("China")	Sale	Third Quarter 2017	8.8	(19.9)
General Cable Australia Pty. Ltd. ("Australia")	Closure	Second Quarter 2017	—	(4.2)
Pakistan Cables Limited ("Pakistan") - 24.6% interest	Sale	First Quarter 2017	5.3	(3.5)
General Cable Energy India Private Ltd. ("India")	Sale	First Quarter 2016	10.8	1.6
Phelps Dodge International Thailand ("Thailand") - 75.47% interest	Sale	Third Quarter 2015	88.0	16.1
Dominion Wire and Cables ("Fiji") - 51% interest	Sale	First Quarter 2015	9.3	(2.6)
Keystone Electric Wire and Cable ("Keystone") - 20% interest	Sale	First Quarter 2015	11.0	3.6
Phelps Dodge International Philippines, Inc. ("PDP") - 60% interest and Phelps Dodge Philippines Energy Products Corp (“PDEP”), (together, "the Philippines")	Sale	Fourth Quarter 2014	67.1	17.6

(1) The pre-tax gain / (loss) for each sale was recorded in the SG&A expenses caption of the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss); the pre-tax gain / (loss) includes the reclassification of foreign currency translation adjustments upon sale or liquidation of the entity. The aggregate net pre-tax loss on the reclassification of foreign currency translation adjustments upon sale or liquidation of the Asia Pacific divestiture entities is $46.9 million.

As of March 30, 2018, the Company's Asia Pacific businesses, and disposals of related operations to date (that occurred over a three year period), are not considered a strategic shift that has or will have a major effect on the Company's operations and financial results. Refer to Note 18 - Segment Information for results of the Africa / Asia Pacific segment.

Africa divestitures

Entity	Sale / Closure	Sale / Closure Date	Gross Proceeds	Pre-tax Gain / (Loss)[1]
Entreprise des Industries du Cable de Biskra SPA ("Algeria") - 70% interest	Sale	Second Quarter 2017	$ 3.8	$ (38.0)
General Cable Phoenix South Africa Pty. Ltd. ("South Africa - Durban")	Closure	Fourth Quarter 2016	—	1.6
National Cables (Pty) Ltd. ("South Africa - National Cables")	Closure	Fourth Quarter 2016	—	(29.4)
Metal Fabricators of Zambia PLC ("Zambia") - 75.39% interest	Sale	Third Quarter 2016	9.8	(14.4)
General Cable S.A.E. ("Egypt")	Sale	Second Quarter 2016	5.8	(8.4)

(1) The pre-tax gain / (loss) for each sale was recorded in the SG&A expenses caption of the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss); the pre-tax gain / (loss) includes the reclassification of foreign currency translation adjustments upon sale or liquidation of the entity. The aggregate pre-tax loss on the reclassification of foreign currency translation adjustments upon sale or liquidation of the Africa divestiture entities is $79.4 million.

The Company's Africa businesses, and disposals of related operations to date, are not considered a strategic shift that has or will have a major effect on the Company's operations and financial results. As of March 30, 2018, the Company determined that the remaining Africa business did not meet the held for sale criteria. Refer to Note 18 - Segment Information for results of the Africa / Asia Pacific segment.

The Company has incurred total aggregate costs of $9.5 million related to its Asia Pacific and Africa divestitures, primarily legal and transaction fees, as of March 30, 2018. Charges incurred for the three fiscal months ended March 30, 2018 and March 31, 2017 were not material.

5. Restructuring

November 2015 restructuring program

In the fourth quarter of 2015, the Company committed to a strategic roadmap focused on growth and optimization of the portfolio, developing leading cost and efficiency positions, growth through innovation and cultivation of a high-performance culture. In 2017, the Company approved additional expenditures to further expand, strengthen and accelerate the Company's program targeting operational effectiveness and efficiencies. As of March 30, 2018 the total remaining costs are not material and the remaining restructuring liability at March 30, 2018 is not material.

Total costs incurred to date by reportable segment are below (in millions):

	North America	Europe	Latin America	Total
Costs incurred 2017 - Cost of sales	$ 1.8	$ 0.4	$ 0.3	$ 2.5
Costs incurred 2017 - SG&A	10.1	1.2	—	11.3
Total costs incurred, March 31, 2017	$ 11.9	$ 1.6	$ 0.3	$ 13.8
Costs incurred 2018 - Cost of sales	$ 0.4	$ —	$ —	$ 0.4
Costs incurred 2018 - SG&A	—	—	—	—
Total costs incurred, March 30, 2018	$ 0.4	$ —	$ —	$ 0.4
Total aggregate costs to date	$ 80.7	$ 21.6	$ 5.5	$ 107.8

Employee Separation Costs

The Company did not record employee separation costs for the three fiscal months ended March 30, 2018. The Company recorded employee separation costs of $2.5 million for the three fiscal months ended March 31, 2017. The employee separation charges for the three fiscal months ended March 31, 2017 were $0.9 million in North America and $1.6 million in Europe.

Employee separation costs include severance and retention bonuses. As of March 30, 2018, cumulative employee separation costs included severance charges for approximately 480 employees; approximately 360 of these employees were classified as manufacturing employees and approximately 120 of these employees were classified as non-manufacturing employees. The charges relate to involuntary separations based on current salary levels and past service periods and are either considered one-time employee termination benefits in accordance with ASC 420 - Exit or Disposal Cost Obligations ("ASC 420") or charges for contractual termination benefits under ASC 712 - Compensation - Nonretirement Postemployment Benefits ("ASC 712").

Other Costs

The Company recorded other restructuring-type charges of $0.4 million in North America for the three fiscal months ended March 30, 2018. The Company recorded other restructuring-type charges of $11.3 million for the three fiscal months ended March 31, 2017. The other restructuring-type charges were $11.0 million in North America and $0.3 million in Latin America for the three fiscal months ended March 31, 2017.

Other restructuring-type charges are incurred as a direct result of the restructuring program. These restructuring-type charges primarily include project management costs, such as consulting fees related to the supply chain redesign and the cost to change internal systems and processes to support the underlying organizational changes, as well as working capital write-downs not associated with normal operations, equipment relocation, termination of contracts and other immaterial costs.

July 2014 restructuring program

In the third quarter of 2014, the Company announced a comprehensive restructuring program. As of March 30, 2018, this program is substantially complete and future estimated costs are expected to be immaterial. The restructuring program was focused on the closure of certain underperforming assets as well as the consolidation and realignment of other facilities. The Company also implemented initiatives to reduce SG&A expenses globally. Total aggregate costs incurred as part of the program were approximately $220 million and the remaining restructuring liability at March 30, 2018 is not material. Total costs incurred were immaterial for the three fiscal months ended March 30, 2018 and March 31, 2017.

6. Revenue

The Company generates revenue from the development, design, manufacturing, marketing and distribution of copper, aluminum, and fiber optic wire and cable products. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. An asset is transferred when (or as) the customer obtains control of that asset and is measured based on considerations specified in contracts with a customer.

Performance obligations

At contract inception, the Company assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. The Company's customer contracts state the final terms of the sale, including the description, quantity, and price of each product or service purchased. To identify the performance obligations, the Company considers all of the goods or services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Shipping and handling amounts billed to a customer in a sales transaction are classified as revenue. The Company applies the transition practical expedient in ASC 606-10-25-18B and shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as a fulfillment cost and are in included in the Cost of sales caption of the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Transaction price

Revenue is measured based on considerations specified in contracts with a customer. A provision for payment discounts, warranty and customer rebates is estimated based upon historical experience and other relevant factors and is recorded within the same period that the revenue is recognized.

Nature of revenue

Revenue disaggregated by product categories and geographical markets for the Company's reportable segments for the three fiscal months ended March 30, 2018 is as follows (in millions):

	Three Fiscal Months Ended March 30, 2018				
	North America	Europe	Latin America	Africa/Asia Pacific	Total
Major product lines:					
Electric utility	$ 187.7	$ 129.8	$ 36.6	$ —	$ 354.1
Electrical infrastructure	191.6	43.8	30.6	0.2	266.2
Construction	89.5	45.2	89.7	1.4	225.8
Communications	81.3	45.8	0.8	—	127.9
Rod mill products	36.0	—	10.5	—	46.5
Total	$ 586.1	$ 264.6	$ 168.2	$ 1.6	$ 1,020.5
Primary geographical markets:					
United States	$ 487.4	$ 12.5	$ —	$ —	$ 499.9
Canada	88.2	0.6	—	—	88.8
France	0.2	85.0	—	—	85.2
Spain	—	52.3	—	—	52.3
Brazil	—	—	45.9	—	45.9
Others	10.3	114.2	122.3	1.6	248.4
Total	$ 586.1	$ 264.6	$ 168.2	$ 1.6	$ 1,020.5

Timing of revenue recognition

An asset is transferred when (or as) the customer obtains control of that asset. Revenue may be recognized when control passes to the customer either over a period of time or at a point in time. The Company determines, at contract inception, whether control of a good transfers to a customer over time or at a point in time. The Company enters into contracts in which the Company's performance creates an asset with no alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. For these contracts, the Company recognizes revenue over time. Therefore, for such contracts, revenue is recognized progressively based on the cost-to-cost method using reasonably reliable estimates of total revenue, total cost, and the extent of progress toward completion. The Company reviews contract price and cost estimates periodically as the work progresses and reflects adjustments proportionate to the percentage-of-completion to income in the period when those estimates are revised. For these contracts, if a current estimate of total contract cost indicates a loss on a contract, the projected loss is recognized in full in the period when determined. If an entity does not satisfy a performance obligation over a period of time, the performance obligation is satisfied at a point in time. Revenue disaggregated by the timing of revenue recognition for the Company's reportable segments for the three fiscal months ended March 30, 2018 is as follows (in millions):

	Three Fiscal Months Ended March 30, 2018				
	North America	Europe	Latin America	Africa/Asia Pacific	Total
Timing of revenue recognition:					
Transferred at a point in time	$ 409.1	$ 181.0	$ 168.2	$ 1.6	$ 759.9
Transferred over time	177.0	83.6	—	—	260.6
Total	$ 586.1	$ 264.6	$ 168.2	$ 1.6	$ 1,020.5

Contract balances

The opening and closing balances of the Company's receivables, contract assets and contract liabilities are as follows (in millions):

	March 30, 2018	January 1, 2018	Increase (Decrease)
Contract assets	$ 140.3	$ 89.2	$ 51.1
Current contract liabilities	50.7	75.6	(24.9)
Non-current contract liabilities	0.6	0.6	—

Contract assets, current contract liabilities and non-current contract liabilities are included in the Receivables, net of allowances, Accrued liabilities and Other liabilities captions, respectively, on the Company's Condensed Consolidated Balance Sheets. Contract assets primarily relate to the Company's rights to consideration for work completed but not yet billed. Contract liabilities primarily relate to the advance consideration received from customers for which transfer of control has not yet occurred. The difference between the opening and closing balances of the Company's contract assets and contract liabilities primarily results from timing differences between the Company's performance and customer payments. The Company recognized revenue of approximately $41.3 million that was included in the current contract liabilities balance at the beginning of the period.

Transaction price allocated to the remaining performance obligations

For contracts that are greater than one year, the estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of March 30, 2018 is approximately $244.0 million, $115.8 million and $0.2 million in the twelve month periods ending March 29, 2019, April 3, 2020 and April 2, 2021, respectively.

The Company applies the transition practical expedient in ASC 606-10-50-14 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

The Company applies the transition practical expedient in ASC 606-10-65-1(f)(3) and does not disclose the amount of the transaction price allocated to the remaining performance obligations at December 31, 2017 or an explanation of when the Company expects to recognize that amount as revenue.

Changes in accounting policies

The Company adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" on January 1, 2018 using the modified retrospective (cumulative effect) transition method. The details of the significant changes and quantitative impacts of the changes are disclosed below.

In accordance with Topic 606, when the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date, transfer of control is deemed to take place over time. Therefore, for such contracts, revenue is recognized progressively based on the cost-to-cost method if there are reasonably reliable estimates of total revenue, total cost, and the extent of progress toward completion. The Company reviews contract price and cost estimates periodically as the work progresses and reflects adjustments proportionate to the percentage-of-completion to income in the period when those estimates are revised. For these contracts, if a current estimate of total contract cost indicates a loss on a contract, the projected loss is recognized in full in the period when determined. With the exception of certain long-term product installation contracts, the Company previously recognized revenue for no alternative use inventory when the inventory was shipped to the customer, title and risk of loss had transferred, pricing was fixed and determinable and collectability was reasonably assured. The adoption of Topic 606 resulted in a net reduction for revenue recognition for no alternative use inventory of approximately $3.7 million in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for three fiscal months ended March 30, 2018.

In accordance with Topic 606, the Company recognizes revenue when a customer obtains control of the inventory. Under the Company's consignment contracts, the Company generally has the present right to payment, title remains with the Company, the customer has physical possession of the inventory, the customer bears the risk of loss and the customer is deemed to have accepted the inventory. Accordingly, control is considered to have transferred to the customer and therefore, for such contracts, revenue is recognized when the inventory is delivered to the consignment location. The Company previously recognized revenue for consignment inventory when the inventory was removed from the consignment stock by the customer, title and risk of loss had transferred, pricing was fixed and determinable and collectability was reasonably assured. The adoption of Topic 606 resulted in additional net revenue recognition for consignment arrangements of approximately $2.3 million in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for three fiscal months ended March 30, 2018.

The impacts of adopting Topic 606 on the Company's Condensed Consolidated Statement of Operations and Comprehensive Income (Loss) for the three fiscal months ended March 30, 2018 are as follows (in millions):

	Three Fiscal Months Ended March 30, 2018		
	As reported	Balances without adoption of Topic 606	Effect of change increase / (decrease)
Net sales	$ 1,020.5	$ 1,021.9	$ (1.4)
Cost of sales	914.8	914.7	0.1
Income tax (provision) benefit	(4.6)	(4.8)	0.2

The impacts of adopting Topic 606 on the Company's Condensed Consolidated Balance Sheet for the three fiscal months ended March 30, 2018 are as follows (in millions).

	March 30, 2018		
	As reported	Balances without adoption of Topic 606	Effect of change increase / (decrease)
Assets			
Receivables, net of allowances	$ 811.9	$ 750.5	$ 61.4
Inventories	728.7	778.8	(50.1)
Liabilities and Total Equity			
Accrued liabilities	254.5	255.7	(1.2)
Deferred income taxes	114.4	111.6	2.8
Retained earnings (deficit)	(197.7)	(207.4)	9.7

7. Other Income (Expense)

Other income (expense) primarily includes gains and losses on derivative instruments that are not designated as cash flow hedges, foreign currency transaction gains or losses, which result from changes in exchange rates between the designated functional currency and the currency in which a transaction is denominated, as well as the non-service cost components of net pension expense. During the three fiscal months ended March 30, 2018 and March 31, 2017, the Company recorded other expense of $15.6 million and other income $14.6 million, respectively. For the three fiscal months ended March 30, 2018, other expense was primarily attributable to $15.0 million related to losses on derivative instruments that were not designated as cash flow hedges and expenses of $0.6 million related to the non-service cost components of net pension expense. For the three fiscal months ended March 31, 2017, other income was primarily attributable to $14.3 million related to gains on derivative instruments that were not designated as cash flow hedges and $0.7 million related to foreign currency transaction gains, partially offset by expenses of $0.4 million related to the non-service cost components of net pension expense.

8. Inventories

The Company's inventories are valued using the average cost method. All inventories are stated at the lower of cost and net realizable value.

(in millions)	March 30, 2018	December 31, 2017
Raw materials	$ 170.2	$ 175.8
Work in process	145.3	131.8
Finished goods	413.2	428.5
Total	$ 728.7	$ 736.1

9. Property, Plant and Equipment

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

	March 30, 2018	December 31, 2017
Land	$ 44.7	$ 44.0
Buildings and leasehold improvements	227.2	223.4
Machinery, equipment and office furnishings	774.2	755.8
Construction in progress	32.5	39.0
Total gross book value	1,078.6	1,062.2
Less accumulated depreciation	(552.5)	(531.9)
Total net book value	$ 526.1	$ 530.3

Depreciation expense for the three fiscal months ended March 30, 2018 and March 31, 2017 was $15.7 million and $17.5 million, respectively.

10. Goodwill and Other Intangible Assets

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

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

	Goodwill			Indefinite-Lived Assets – Trade Names		
	North America	Latin America	Total	North America	Europe	Total
Balance, December 31, 2017	$ 7.1	$ 3.9	$ 11.0	$ 0.4	$ 0.3	$ 0.7
Currency translation and other adjustments	—	—	—	—	—	—
Goodwill and indefinite-lived asset impairment	—	—	—	—	—	—
Balance, March 30, 2018	$ 7.1	$ 3.9	$ 11.0	$ 0.4	$ 0.3	$ 0.7

The amounts of other intangible assets, excluding capitalized software, were as follows (in millions):

	March 30, 2018	December 31, 2017
Amortized intangible assets:		
Amortized intangible assets	$ 108.9	$ 108.9
Accumulated amortization	(90.4)	(89.8)
Foreign currency translation adjustment	(5.0)	(5.1)
Amortized intangible assets, net	$ 13.5	$ 14.0

Amortized intangible assets are stated at cost less accumulated amortization as of March 30, 2018 and December 31, 2017. Amortized intangible assets have been determined to have a useful life in the range of 7 to 12 years. The approximate weighted average useful life of the amortized intangible assets is 10 years. For customer relationships, the Company has accelerated the amortization expense to align with the historical customer attrition rates. All other amortized intangible assets are amortized on a straight-line basis. The amortization of intangible assets for the three fiscal months ended March 30, 2018 and March 31, 2017 was $0.6 million and $1.6 million, respectively. The estimated amortization expense during the twelve month periods beginning March 30, 2018 through March 31, 2023, based on exchange rates as of March 30, 2018, is $2.3 million, $2.2 million, $2.2 million, $2.2 million, $2.2 million, respectively, and $2.4 million thereafter.

The Company capitalizes costs for internal use software incurred during the application development stage. Costs related to preliminary project activities and post implementation activities are expensed as incurred. Capitalized software will be amortized once the product is ready for its intended use, using the straight-line method over the estimated useful lives of the assets, which is three years. As of March 30, 2018 and December 31, 2017, capitalized software was $7.9 million and $8.6 million, respectively.

11. Long-Term Debt

(in millions)	March 30, 2018	December 31, 2017
North America		
5.75% Senior Notes due 2022 ("5.75% Senior Notes")	$ 600.0	$ 600.0
Subordinated Convertible Notes due 2029 ("Subordinated Convertible Notes")	429.5	429.5
Debt discount	(252.4)	(253.1)
Debt issuance costs	(8.8)	(9.1)
Asset-Based Revolving Credit Facility ("Revolving Credit Facility")	267.7	219.9
Other	9.0	9.0
Europe		
Revolving Credit Facility	87.5	39.6
Other	5.2	5.3
Latin America credit facilities	31.7	44.6
Total debt	1,169.4	1,085.7
Less current maturities	33.9	46.9
Long-term debt	$ 1,135.5	$ 1,038.8

At March 30, 2018, maturities of long-term debt during the twelve month periods beginning March 30, 2018 through March 31, 2023 and thereafter are $33.9 million, $0.9 million, $0.8 million, $0.4 million and $950.6 million, respectively, and $182.8 million thereafter.

5.75% Senior Notes

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

	5.75% Senior Notes	
(in millions)	March 30, 2018	December 31, 2017
Face Value	$ 600.0	$ 600.0
Debt issuance costs	(5.5)	(5.8)
Book value	594.5	594.2
Fair Value (Level 1)	614.4	619.7
Stated Interest Rate	5.75%	5.75%
Interest Payment	Semi-Annual: Apr 1 & Oct 1	
Maturity Date	October 2022	
Guarantee	Jointly and severally guaranteed by the Company's wholly owned U.S. subsidiaries	

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

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

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

Subordinated Convertible Notes

The Company’s Subordinated Convertible Notes outstanding as of March 30, 2018 and December 31, 2017 are as follows:

	Subordinated Convertible Notes	
(in millions)	March 30, 2018	December 31, 2017
Face value	$ 429.5	$ 429.5
Debt discount	(252.4)	(253.1)
Debt issuance costs	(3.3)	(3.3)
Book value	173.8	173.1
Fair value (Level 1)	455.3	453.4
Maturity date	Nov 2029	
Stated annual interest rate	4.50% until Nov 2019 2.25% until Nov 2029	
Interest payments	Semi-annually: May 15 & Nov 15	

Revolving Credit Facility

On July 21, 2011, the Company entered into a $400 million Revolving Credit Facility, which was first amended in 2012 to increase the facility size to $700 million and then subsequently amended and restated on September 6, 2013 and further amended on October 22, 2013, May 20, 2014, September 23, 2014, October 28, 2014 and February 9, 2016, to, among other things, increase the Revolving Credit Facility to $1.0 billion. The Revolving Credit Facility was subsequently amended effective November 15, 2016 to decrease the facility size to $700 million, $441 million of which may be borrowed by the U.S. borrower, $210 million of which may be borrowed by the European borrowers and $49 million of which may be borrowed by the Canadian borrower. The Revolving Credit Facility was subsequently amended and restated on May 22, 2017 to, among other things, extend the maturity date to May 22, 2022. The Revolving Credit Facility contains restrictions including limitations on, among other things, distributions and dividends, acquisitions and investments, indebtedness, liens and affiliate transactions. The Revolving Credit Facility provides the Company with financial flexibility such that restrictions in the Revolving Credit Facility generally only apply in the event that undrawn availability under the Revolving Credit Facility falls below certain specific thresholds.

The Revolving Credit Facility has a maturity date of May 22, 2022. The commitment amount under the Revolving Credit Facility may be increased by an additional $250 million, subject to certain conditions and approvals as set forth in the Revolving Credit Facility. The Revolving Credit Facility requires maintenance of a minimum fixed charge coverage ratio of 1.00 to 1.00 if availability under the Revolving Credit Facility is less than $70 million or 10% of the then existing aggregate lender commitment under the Revolving Credit Facility. As of March 30, 2018, the availability under the Revolving Credit Facility is greater than $70 million. The fair value of the Revolving Credit Facility approximates the carrying value based on Level 2 inputs based on the short-term and asset-based nature of the Revolving Credit Facility and the related variable interest rate.

Indebtedness under the Revolving Credit Facility is secured by: (a) for US borrowings under the facility, a first priority security interest in certain tangible and intangible property and assets of certain of the Company’s U.S. subsidiaries, and (b) for Canadian and European borrowings under the facility, a first priority security interest in certain tangible and intangible property and assets of certain of the Company’s Canadian subsidiaries and European subsidiaries. In addition, the lenders under the Revolving Credit Facility have received a pledge of (i) 100% of the equity interests in certain of the Company’s domestic, Canadian and European subsidiaries, and (ii) 65% of the voting equity interests in and 100% of the non-voting equity interests in each material foreign subsidiary directly owned by a U.S. Loan Party.

Borrowings under the Revolving Credit Facility bear interest at an interest rate base elected by the Company plus an applicable margin calculated quarterly. The Revolving Credit Facility also requires the payment of a commitment fee equal to the available but unused commitments multiplied by an applicable margin of either 0.25% or 0.375% based on the average daily unused commitments.

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

	Revolving Credit Facility	
(in millions)	March 30, 2018	December 31, 2017
Outstanding borrowings	$ 355.2	$ 259.5
Total credit under facility	700.0	700.0
Undrawn availability	255.1	326.2
Interest rate	3.1%	2.8%
Outstanding letters of credit	$ 39.4	$ 24.6
Original issuance	July 2011	
Maturity date	May 2022	

Latin America Credit Facilities

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

(in millions)	March 30, 2018	December 31, 2017
Outstanding borrowings	$ 31.7	$ 44.6
Undrawn availability	49.6	42.9
Interest rate – weighted average	5.5%	7.8%
Maturity date	Various	

The Company's Latin America credit facilities are primarily short-term loans utilized for working capital purposes. The fair value of the Latin America credit facilities approximates the carrying value due to the short-term nature ($31.6 million is short-term) and variable interest rates of the facilities based on Level 2 inputs.

12. Financial Instruments

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

The Company enters into commodity instruments to hedge the purchase of copper and aluminum in future periods and foreign currency exchange contracts principally to hedge the currency fluctuations in certain transactions denominated in foreign currencies, thereby reducing the Company's risk that would otherwise result from changes in exchange rates. Principal transactions hedged during the year were firm sales and purchase commitments. The fair value of foreign currency contracts represents the amount required to enter into offsetting contracts with similar remaining maturities based on quoted market prices.

The Company accounts for these commodity instruments and foreign currency exchange contracts as economic hedges. Changes in the fair value of economic hedges are recognized in current period earnings in Other income (expense).

Fair Value of Derivatives Instruments

The notional amounts and fair values of derivatives not designated as cash flow hedges at March 30, 2018 and December 31, 2017 are shown below (in millions):

	March 30, 2018			December 31, 2017		
	Notional Amount	Fair Value		Notional Amount	Fair Value	
		Asset (1)	Liability (2)		Asset (1)	Liability (2)
Derivatives not designated as cash flow hedges:						
Commodity futures	$ 100.6	$ 12.0	$ 0.9	$ 106.1	$ 26.1	$ 0.1
Foreign currency exchange	78.9	0.8	1.2	105.5	1.3	0.7
		$ 12.8	$ 2.1		$ 27.4	$ 0.8

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

As of March 30, 2018 and December 31, 2017, all financial instruments held by the Company were subject to enforceable master netting arrangements held by various financial institutions. In general, the terms of our agreements provide that in the event of an early termination the counterparties have the right to offset amounts owed or owing under that and any other agreement with the same counterparty. The Company's accounting policy is to not offset these positions in the Condensed Consolidated Balance Sheets. As of March 30, 2018 and December 31, 2017, the net positions of the enforceable master netting agreements are not significantly different from the gross positions noted in the table above. Depending on the extent of an unrealized loss position on a derivative contract held by the Company, certain counterparties may require collateral to secure the Company's derivative contract position. As of March 30, 2018 and December 31, 2017, there were no contracts held by the Company that required collateral to secure the Company's derivative liability positions.

13. Income Taxes

The Company's effective tax rate for the three fiscal months ended March 30, 2018 and March 31, 2017 was 1150.0% and 33.7% respectively. The high effective tax rate for the three fiscal months ended March 30, 2018 was primarily due to the combined effect of incurring operational losses in jurisdictions where valuation allowances were recorded against net deferred tax assets as well as the general impact of having a low level of pre-tax income, which results in a more volatile effective tax rate.

During the first quarter of 2018, the Company accrued approximately $0.2 million of income tax expense for uncertain tax positions likely to be taken in the current year and for interest and penalties on tax positions taken in prior periods, all of which would have a favorable impact on the effective tax rate, if recognized. In addition, $1.0 million of income tax benefits were recognized due to statute of limitation expirations associated with various uncertain tax positions.

The Company files income tax returns in numerous tax jurisdictions around the world. Due to uncertainties regarding the timing and outcome of various tax audits, appeals and settlements, it is difficult to reliably estimate the amount of unrecognized tax benefits that could change within the next twelve months. The Company believes it is reasonably possible that approximately $2 million of unrecognized tax benefits could change within the next twelve months due to the resolution of tax audits and statute of limitations expiration.

In the first quarter of 2018 the Internal Revenue Service ("IRS") closed its examination of the Company's December 31, 2015 income tax return with no changes made to reported income tax. With limited exceptions, tax years prior to 2013 are no longer open in major foreign, state, or local tax jurisdictions.

On December 22, 2017, the U.S. government enacted tax legislation commonly referred to as the Tax Cuts and Jobs Act ("Tax Reform Act"). The Tax Reform Act made comprehensive and complex changes to the U.S. tax law, including but not limited to the following provisions that may have a significant current or future impact on the Company's tax position: 1) one-time deemed taxable repatriation of the accumulated earnings and profits of foreign subsidiaries as of December 31, 2017; 2) reduction of the federal corporate income tax rate from 35% to 21%; 3) bonus depreciation that will allow for full expensing of qualified fixed assets in the year of acquisition; 4) a new provision designed to effectively impose a minimum tax on certain foreign earnings (commonly referred to as "GILTI"); 5) a new percentage of taxable income limitation on the deductibility of interest expense; 6) adoption of a territorial-type tax system that would generally eliminate U.S. federal income tax on dividends from foreign subsidiaries; 7) repeal of the alternative minimum tax ("AMT") and related provision enabling the refund of existing AMT credits; 8) creation of a new base erosion tax ("BEAT") for certain payments made to non-U.S. affiliates; and 9) limitation on the use of net operating losses generated after December 31, 2017 to 80% of taxable income and allowance of an indefinite carry forward period for such net operating losses.

The SEC issued Staff Accounting Bulletin ("SAB") 118, which provides guidance on accounting for the tax effects of the Tax Reform Act. In recognition of the inherent complexities associated with the ASC 740 tax accounting for the Tax Reform Act, SAB 118 provides a measurement period of up to one year from enactment for companies to complete the ASC 740 tax accounting. Although the accounting for the tax effects of the Tax Reform Act are not yet complete, the Company was able to make reasonable estimates of the significant tax effects. In accordance with SAB 118, the Company's consolidated financial statements for the year ended December 31, 2017 reflected provisional estimates of the tax effects of the deemed repatriation of accumulated earnings and profits of foreign subsidiaries as well as the federal tax rate reduction. Other provisions of the Tax Reform Act were not expected to have a material impact on the consolidated financial statements for the year ended December 31, 2017.

The Company recorded a net deferred tax benefit of approximately $16 million as its provisional estimate associated with the tax effect of the Tax Reform Act for the year ended December 31, 2017. This consisted of approximately $46 million of deferred tax expense attributable to the deemed repatriation of off-shore accumulated earnings and profits, and approximately $62 million of deferred tax benefit attributable to the U.S. tax rate reduction. The Company's provisional estimate included approximately $296 million of accumulated foreign earnings and profits as being deemed to be distributed to the U.S. This deemed repatriation did not alter the Company's intent or ability to reinvest or redeploy off-shore earnings indefinitely.

As of March 30, 2018, this provisional estimate is still the Company's best estimate of the tax effects associated with the one-time deemed taxable repatriation of the accumulated earnings and profits of foreign subsidiaries and the tax rate reduction.

In order to finalize the ASC 740 tax accounting for the deemed repatriation of foreign earnings and profits, the Company will need to gather additional information and complete a detailed analysis of the following: 1) its pro rata share of post-1986 earnings and profits of relevant foreign subsidiaries; 2) the amount of non-U.S. income taxes paid with respect to such post-1986 earnings and profits; 3) its cash and liquid asset position at relevant dates; and 4) complex foreign tax credit computations to determine whether it may be beneficial to elect to claim foreign tax credits in lieu of offsetting the deemed repatriation income with net operating losses. In order to finalize the ASC 740 tax accounting for the tax rate reduction, the Company will need to complete the analysis of the tax effect of the deemed repatriation of foreign earnings and profits. In addition, the provisional estimate of the tax effects of the Tax Reform Act could be modified by changes in assumptions or interpretations, additional guidance that may be issued by the Internal Revenue Service, Treasury Department or state tax authorities, or actions we may take. The ASC 740 tax accounting will be completed within the one-year period allowed under SAB 118.

While other provisions of the Tax Reform Act did not materially impact the Company at December 31, 2017, the GILTI tax as well as the limitation on deductibility of interest expense will significantly impact the Company’s tax position prospectively. The Company has elected to account for the GILTI tax in the period in which any tax is incurred and, therefore, did not record any deferred tax impacts in the consolidated financial statements for the year ended December 31, 2017. For the period ended March 30, 2018, the Company has recorded tax expense based on $49 million of full year estimated taxable income associated with GILTI. This results in approximately $12.5 million of full year forecasted tax expense and effectively negates the forecasted tax benefit derived from the reduction of the U.S. federal tax rate to 21%.

The Company is forecasting approximately $111 million of interest expense disallowance in 2018 as a result of applying the deduction limitations set forth by the Tax Reform Act. While this is neither expected to impact income tax expense due to the unlimited carryforward period of disallowed interest deductions, nor is it expected to impact cash taxes in 2018, it may have a significant impact on the Company’s cash taxes prospectively.

14. Employee Benefit Plans

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

The components of net pension expense for pension benefits were as follows (in millions):

	Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Service cost	$ 0.1	$ 1.0	$ 0.2	$ 0.9
Interest cost	1.1	0.7	1.1	0.7
Expected return on plan assets	(2.0)	(0.8)	(2.0)	(0.7)
Amortization of prior service cost	—	—	—	0.2
Amortization of net loss	0.6	0.4	0.6	0.4
Net pension expense	$ (0.2)	$ 1.3	$ (0.1)	$ 1.5

The estimated net loss for the defined benefit pension plans that will be amortized from accumulated other comprehensive income (loss) into net pension expense in 2018 is $3.9 million. The prior service cost to be amortized from accumulated other comprehensive income (loss) into net pension expense over the next fiscal year is not material.

Defined benefit pension plan cash contributions for the three fiscal months ended March 30, 2018 and March 31, 2017 were $2.7 million and $1.1 million, respectively.

15. Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) as of March 30, 2018 and December 31, 2017, respectively, consisted of the following (in millions):

	March 30, 2018		December 31, 2017	
	Company Common Shareholders	Noncontrolling Interest	Company Common Shareholders	Noncontrolling Interest
Foreign currency translation adjustment	$ (162.4)	$ (3.0)	$ (165.3)	$ (3.0)
Pension adjustments, net of tax	(64.7)	—	(65.5)	—
Accumulated other comprehensive income (loss)	$ (227.1)	$ (3.0)	$ (230.8)	$ (3.0)

The following is the detail of the change in the Company's accumulated other comprehensive income (loss) from December 31, 2017 to March 30, 2018 including the effect of significant reclassifications out of accumulated other comprehensive income (loss) (in millions, net of tax):

	Foreign currency translation	Change of fair value of pension benefit obligation	Total
Balance, December 31, 2017	$ (165.3)	$ (65.5)	$ (230.8)
Other comprehensive income (loss) before reclassifications	2.9	—	2.9
Amounts reclassified from accumulated other comprehensive income (loss)	—	0.8	0.8
Net current - period other comprehensive income (loss)	2.9	0.8	3.7
Balance, March 30, 2018	$ (162.4)	$ (64.7)	$ (227.1)

The following is the detail of the change in the Company's accumulated other comprehensive income (loss) from December 31, 2016 to March 31, 2017 including the effect of significant reclassifications out of accumulated other comprehensive income (loss) (in millions, net of tax):

	Foreign currency translation	Change of fair value of pension benefit obligation	Total
Balance, December 31, 2016	$ (228.2)	$ (58.2)	$ (286.4)
Other comprehensive income (loss) before reclassifications	8.7	—	8.7
Amounts reclassified from accumulated other comprehensive income (loss)	—	0.8	0.8
Net current - period other comprehensive income (loss)	8.7	0.8	9.5
Balance, March 31, 2017	$ (219.5)	$ (57.4)	$ (276.9)

The following is the detail of the reclassifications out of accumulated other comprehensive income (loss) for the three fiscal months ended March 30, 2018 and March 31, 2017 (in millions, net of tax):

	Three Fiscal Months Ended March 30, 2018	Three Fiscal Months Ended March 31, 2017	
	Amount reclassified from accumulated other comprehensive income (loss)	Amount reclassified from accumulated other comprehensive income (loss)	Affected line item in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
Defined pension items			
Amortization of prior service cost	$ —	$ 0.1	Cost of sales
Amortization of net loss	0.8	0.7	Cost of sales
Total - Pension Items	$ 0.8	$ 0.8	
Total	$ 0.8	$ 0.8	

16. Shipping and Handling Costs

All shipping and handling amounts billed to a customer in a sales transaction are classified as revenue. Shipping and handling costs associated with storage and handling of finished goods and shipments to customers are included in the Cost of sales caption in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) and totaled $30.7 million and $25.9 million, respectively, for the three fiscal months ended March 30, 2018 and March 31, 2017.

17. Earnings (Loss) Per Common Share

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

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

	Three Fiscal Months Ended	
	March 30, 2018	March 31, 2017
Amounts attributable to the Company – basic and diluted:		
Net income (loss) attributable to Company common shareholders	$ (4.3)	$ 12.4
Net income (loss) for EPS computations [(1)]	$ (4.3)	$ 12.4
Weighted average shares outstanding for basic EPS computation [(2)]	50.9	49.8
Earnings (loss) per common share attributable to Company common shareholders – basic [(3)]	$ (0.08)	$ 0.25
Weighted average shares outstanding including nonvested shares	50.9	49.8
Dilutive effect of stock options and restricted stock units	—	1.8
Weighted average shares outstanding for diluted EPS computation [(2)]	50.9	51.6
Earnings (loss) per common share attributable to Company common shareholders – assuming dilution	$ (0.08)	$ 0.24

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

For the three fiscal months ended March 30, 2018 and March 31, 2017, there were approximately 2.0 million shares and 1.7 million shares excluded from the earnings per common share — assuming dilution computation because their impact was anti-dilutive, respectively.

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

The average stock price threshold conditions had not been met as of March 30, 2018 or March 31, 2017. At any such time in the future that threshold conditions are met, only the number of shares issuable under the "treasury" method of accounting for the share dilution would be included in the Company's earnings per share – assuming dilution calculation, which is based upon the amount by which the average stock price exceeds the conversion price.

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

Share Price	Shares Underlying Subordinated Convertible Notes	Total Treasury Method Incremental Shares [(1)]
$31.00	280,970	280,970
$33.00	1,120,585	1,120,585
$35.00	1,864,244	1,864,244
$37.00	2,527,507	2,527,507
$39.00	3,122,743	3,122,743

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

18. Segment Information

The Company conducts its operations through four geographic operating and reportable segments — North America, Europe, Latin America, and Africa/Asia Pacific. The Company's operating and reportable segments align with the structure of the Company's internal management organization. All four segments engage in the development, design, manufacturing, marketing and distribution of copper, aluminum, and fiber optic communication, construction, electric utility and electrical infrastructure wire and cable products. In addition to the above products, the North America and Latin America segments manufacture and distribute rod mill wire and cable products.

Net revenues as shown below represent sales to external customers for each segment. Intersegment sales have been eliminated. In the three fiscal months ended March 30, 2018 and March 31, 2017, intersegment sales were $6.3 million and $5.5 million in North America, $3.9 million and $1.1 million in Europe and $5.4 million and $9.9 million in Latin America, respectively.

The chief operating decision maker evaluates segment performance and allocates resources based on segment operating income. Summarized financial information for the Company's reportable segments for the three fiscal months ended March 30, 2018 and March 31, 2017 is as follows:

	Three Fiscal Months Ended	
(in millions)	March 30, 2018	March 31, 2017
Net Sales:		
North America	$ 586.1	$ 543.0
Europe	264.6	181.0
Latin America	168.2	157.9
Africa/Asia Pacific	1.6	36.3
Total	$ 1,020.5	$ 918.2
Segment Operating Income (Loss):		
North America	$ 20.7	$ 25.4
Europe	7.6	(3.1)
Latin America	6.6	4.7
Africa/Asia Pacific	(0.6)	(2.8)
Total	$ 34.3	$ 24.2

(in millions)	March 30, 2018	December 31, 2017
Total Assets:		
North America	$ 1,027.0	$ 988.8
Europe	773.3	729.9
Latin America	460.0	487.2
Africa/Asia Pacific	20.0	29.4
Total	$ 2,280.3	$ 2,235.3

19. Commitments and Contingencies

Environmental matters

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

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

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

At March 30, 2018 and December 31, 2017, we had an accrued liability of approximately $4.7 million for various environmental-related liabilities to the extent costs are known or can be reasonably estimated as a liability. While it is difficult to estimate future environmental-related liabilities accurately, we do not currently anticipate any material adverse effect on our results of operations, financial position or cash flows as a result of compliance with federal, state, local or foreign environmental laws or regulations or cleanup costs of the sites discussed above.

Asbestos litigation

We have been a defendant in asbestos litigation for the past 30 years. Our subsidiaries have been named as defendants in lawsuits alleging exposure to asbestos in products manufactured by us. As of March 30, 2018, we were a defendant in approximately 238 cases brought in state and federal courts throughout the United States. In the three fiscal months ended March 30, 2018, 16 asbestos cases were brought against us. In the calendar year 2017, 63 asbestos cases were brought against us. In the last 30 years, we have had no cases proceed to verdict. In many of the cases, we were dismissed as a defendant before trial for lack of product identification. As of March 30, 2018, 51,094 asbestos cases have been dismissed. In the three fiscal months ended March 30, 2018, 25 asbestos cases were dismissed. As of December 31, 2017, 51,069 cases were dismissed. With regards to the approximately 238 remaining pending cases, we are aggressively defending these cases based upon either lack of product identification as to whether we manufactured asbestos-containing product and/or lack of exposure to asbestos dust from the use of our product.

As of March 30, 2018, plaintiffs have asserted monetary damages in 188 cases. In 106 of these cases, plaintiffs allege only damages in excess of some dollar amount (about $93 thousand per plaintiff); in these cases there are no claims for specific dollar amounts requested as to any defendant. In 82 other cases pending in state and federal district courts, plaintiffs seek approximately $354 million in damages from as many as 50 defendants. In addition, in relation to these 188 cases, there are claims of $255 million in punitive damages from all of the defendants. However, many of the plaintiffs in these cases allege non-malignant injuries. As of March 30, 2018 and December 31, 2017, we had accrued, on a gross basis, approximately $1.0 million and $1.2 million, respectively, and as of March 30, 2018 and December 31, 2017, had recovered approximately $0.1 million of insurance recoveries for these lawsuits. The net amount of $0.9 million and $1.1 million, as of March 30, 2018 and December 31, 2017, respectively, represents our best estimate in order to cover resolution of current asbestos-related claims.

The components of the asbestos litigation reserve are current and future asbestos-related claims. The significant assumptions are: (1) the number of cases per state, (2) an estimate of the judgment per case per state, (3) an estimate of the percentage of cases per state that would make it to trial and (4) the estimated total liability percentage, excluding insurance recoveries, per case judgment. Management's estimates are based on the Company's historical experience with asbestos related claims. The Company's current history of asbestos claims does not provide sufficient and reasonable information to estimate a range of loss for potential future, unasserted asbestos claims because the number and the value of the alleged damages of such claims have not been consistent. As such, the Company does not believe a reasonably possible range can be estimated with respect to asbestos claims that may be filed in the future.

Settlement payments are made, and the asbestos accrual is relieved, when we receive a fully executed settlement release from the plaintiff's counsel. As of March 30, 2018 and December 31, 2017, aggregate settlement costs were $10.6 million and $10.5 million, respectively. For the three fiscal months ended March 30, 2018 and March 31, 2017, settlement costs totaled $0.1 million. As of March 30, 2018 and December 31, 2017, aggregate litigation costs were $29.5 million and $29.2 million, respectively. For the three fiscal months ended March 30, 2018 and March 31, 2017, the costs of administering and litigating asbestos claims totaled $0.3 million.

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

Product liability litigation - Labrador-Island Link Limited Partnership, as represented by its general partner, Labrador-Island Link General Partner Corporation v. General Cable Company Ltd.

On March 13, 2018, litigation was initiated against our Canadian subsidiary, General Cable Company Ltd. ("GCC Ltd.") in the Supreme Court of Newfoundland and Labrador, Canada. The Plaintiff alleges that it was injured as a result of allegedly defective cable supplied by GCC Ltd. and/or allegedly defectively designed by a predecessor entity. Plaintiff seeks damages of approximately CDN$57.5 million. At this time, we cannot determine the likelihood of, nor can we reasonably estimate the range of, any possible loss.

European Commission competition matter

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

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

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

Brazil tax matters

A Brazilian subsidiary is involved in administrative proceedings with State treasury offices regarding whether tax incentives granted to us by one Brazilian State are applicable to goods sold in another Brazilian State. We believe we correctly relied on the tax incentives granted and that we have substantial defenses to their disallowance by the Brazilian State claimant. The total amount of taxes allegedly due for the infractions including potential interest and penalties is up to $8 million. In September 2012, an Administrative Court found that we were not liable for any incentive tax payments claimed by the State treasury office, however this determination was overturned on appeal and has since been further appealed. This appeal remains pending at the Brazilian Courts. Despite the pending appeal, in October 2014, the State issued a summons to recover the approximately $8 million of contested incentives described above, and we are complying with the terms of the State's summons while continuing to contest the Court's ruling. We currently estimate our range of reasonably possible loss to be between $0 million and $8 million.

Our Brazilian subsidiary has received notifications of various other claims related to disputed tax credits taken on Federal Tax Offset returns, which are in various phases of litigation. We believe we correctly applied the tax credits taken and that we have substantial defenses to these claims. The total amount of reasonably possible loss for the disputed credits, including potential interest and penalties, is up to $22 million.

Resolution of SEC and DOJ investigations

As previously disclosed, in December 2016, we entered into agreements with the SEC and the DOJ to resolve those agencies' respective investigations relating to the FCPA and the SEC's separate accounting investigation related to our financial restatements impacting fiscal years 2012 and prior. Pursuant to those agreements, we paid fines, disgorgement and pre-judgment interest to the SEC and DOJ in the total amount of $82.3 million. Specifically, we paid $20.5 million to the DOJ in January 2017 and $12.4 million, $18.5 million and $30.9 million to the SEC in January 2017, June 2017 and December 2017, respectively.

FCPA-related litigation matters

A civil complaint was filed in the United States District Court for the Southern District of New York on January 5, 2017, by named plaintiffs, on behalf of purported classes of persons who purchased or otherwise acquired our publicly traded securities, against us, Gregory Kenny, our former President and Chief Executive Officer, and Brian Robinson, our former Executive Vice President and Chief Financial Officer (the "Doshi Complaint"). The parties stipulated to the transfer of the matter to the Eastern District of Kentucky, which was approved. The Doshi Complaint alleged claims under the antifraud and controlling person liability provisions of the Exchange Act, alleging generally, among other assertions, that the defendants made materially false and misleading statements in various quarterly and annual reports filed with the SEC between February 2012 and February 2016. Plaintiffs claimed that the Corporation failed to disclose during that period that it had paid bribes in violation of the FCPA, failed to disclose that a portion of its profits were subject to disgorgement, and failed to disclose that when this conduct was discovered it would subject the Corporation to significant monetary penalties. The Doshi Complaint alleged that as a result of the foregoing, our stock price was artificially inflated and the plaintiffs suffered damages in connection with their purchase of our stock. The Doshi Complaint further sought damages in an unspecified amount; reasonable costs and expenses, including counsel and experts fees; and such equitable injunctive or other relief as the Court deems just and proper. As required under the Exchange Act, motions for appointment as lead plaintiff were filed on March 6, 2017, by three movants, including named plaintiff Doshi. On November 7, 2017, the Court issued an opinion appointing a different movant, the Long Trust Group, as lead plaintiff. Following appointment of lead plaintiff, the parties submitted a stipulated agreement with the Court which included a schedule for the filing of a consolidated complaint and renaming the action In Re General Cable Corporation Securities Litigation (Civil Action No. 2:17-025-WOB). Based on the stipulated schedule, lead plaintiff filed an amended consolidated complaint on January 19, 2018 that asserts the same claims and names the same defendants as the Doshi Complaint. We filed a Motion to Dismiss in the first quarter of 2018, which Motion is currently pending. At this time, we cannot determine the likelihood of, nor can we reasonably estimate the range of, any possible loss.

Purported class action litigation - Stanfield v. General Cable Corp. and Rosenblatt v. General Cable Corp.

On January 2, 2018, a purported stockholder of the Company filed an action against the Company and the members of the Company's board of directors on behalf of a putative class of stockholders of the Company in the United States District Court for the District of Delaware, captioned *Stanfield v. General Cable Corp.*, No. 1:18-cv-00006-UNA (D. Del.), and on January 9, 2018, a purported stockholder of the Company filed a substantively similar action against the Company, Parent, Merger Sub and the members of the Company's board of directors in the United States District Court for the Eastern District of Kentucky, captioned *Rosenblatt v. General Cable Corp.*, No. 2:18-cv-00010-WOB-CJS (E.D. Ky.), in each case seeking, among other things, to enjoin the completion of the Merger. Both of these cases have been dismissed.

Purported class action litigation - Employee Retirement Income Security Act of 1974

On March 15, 2017, litigation was initiated against us and certain of our current and former directors, executive officers and employees by a former employee on behalf of a purported class of employees who invested in the common stock of General Cable through our 401(k) plan. The Plaintiff alleges that we should have not retained the General Cable stock fund as an investment option in our 401(k) plan during the period 2003-2016, when they claim the price of the Company stock was artificially inflated. The suit alleges various violations of the Employee Retirement Income Security Act of 1974 ("ERISA") and was filed in the United States District Court for the Eastern District of Kentucky. At this time, we cannot determine the likelihood of, nor can we reasonably estimate the range of, any possible loss.

Other

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

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

The 2014 Executive Officer Severance Plan ("2014 Severance Plan"), applicable to the Company's executive officers holding a position of Executive Vice President or above or the position of Chief Financial Officer, General Counsel, Chief Compliance Officer or Chief Human Resources Officer and were hired or first promoted into such position after August 1, 2014, includes a change in control provision such that the executives may receive payments or benefits in accordance with the 2014 Severance Plan to the extent that both a change of control and a triggering event, each as defined in the 2014 Severance Plan, occur. Unless there are circumstances of ineligibility, as defined, the Company must provide payments and benefits upon both a change in control and a triggering event.

The Company has entered into various operating lease agreements related principally to certain administrative, manufacturing and distribution facilities and transportation equipment. At March 30, 2018, future minimum rental payments required under non-cancelable lease agreements during the twelve month periods beginning March 30, 2018 through March 31, 2023 and thereafter are $15.9 million, $12.8 million, $10.0 million, $7.1 million and $4.8 million, respectively, and $9.3 million thereafter.

As of March 30, 2018, the Company had $41.7 million in letters of credit, $169.7 million in various performance bonds and $128.4 million in other guarantees outstanding. Other guarantees include bank guarantees and advance payment bonds. These letters of credit, performance bonds and guarantees are periodically renewed and are generally related to risk associated with self-insurance claims, contract performance, quality and other various bank and financing guarantees. Advance payment bonds are often required by customers when the Company obtains advance payments to secure the production of cable for long-term contracts. The advance payment bonds provide the customer protection on their deposit in the event that the Company does not perform under the contract.

20. Unconsolidated Affiliated Companies

Unconsolidated affiliated companies are those in which the Company generally owns less than 50 percent of the outstanding voting shares. The Company does not control these companies and accounts for its investments in them on the equity method basis. The unconsolidated affiliated companies primarily manufacture or market wire and cable products in our Latin America and Europe segments. The Company's share of the income of these companies is reported in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) under "Equity in net earnings of affiliated companies." Equity in net earnings of affiliated companies was immaterial for the three fiscal months ended March 30, 2018 and March 31, 2017. The net investment in unconsolidated affiliated companies was $0.2 million as of March 30, 2018 and December 31, 2017. As of March 30, 2018, the Company's ownership percentage was as follows: Colada Continua Chilena, S.A. 41% and Nostag GmbH & Co. KG 33%. In the first quarter of 2017, the Company completed the sale of its 24.6% interest in Pakistan Cables Limited for cash consideration of approximately $5.3 million. Refer to Note 4 - Divestitures for more information.

21. Fair Value

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

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

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

	Fair Value Measurement							
	March 30, 2018				December 31, 2017			
	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3	Fair Value
Assets:								
Derivative assets	$ —	$ 12.8	$ —	$ 12.8	$ —	$ 27.4	$ —	$ 27.4
Equity securities [1]	8.6	—	—	8.6	8.4	—	—	8.4
Total assets	$ 8.6	$ 12.8	$ —	$ 21.4	$ 8.4	$ 27.4	$ —	$ 35.8
Liabilities:								
Derivative liabilities	$ —	$ 2.1	$ —	$ 2.1	$ —	$ 0.8	$ —	$ 0.8
Total liabilities	$ —	$ 2.1	$ —	$ 2.1	$ —	$ 0.8	$ —	$ 0.8

(1) Balance represents the market value of the assets, exclusive of the market value of restricted stock and restricted stock units held ("Deferred Stock") and the General Cable Stock Fund by participants' elections, held in the Rabbi Trust in connection with the Company's deferred compensation plan at March 30, 2018 and December 31, 2017 classified as "Other non-current assets" in the Condensed Consolidated Balance Sheets. The market value of mutual fund investments and the General Cable Stock Fund in the Rabbi Trust was $17.4 million and $17.9 million as of March 30, 2018 and December 31, 2017, respectively. Amounts payable to the plan participants at March 30, 2018 and December 31, 2017, excluding the Deferred Stock, were $9.6 million and $9.4 million, respectively, and are classified as "Other liabilities" in the Condensed Consolidated Balance Sheets.

At March 30, 2018, there were no material financial assets or financial liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3). Similarly, there were no other nonfinancial assets or nonfinancial liabilities measured at fair value on a non-recurring basis.

22. Supplemental Guarantor Condensed Financial Information

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

Condensed Statements of Operations and Comprehensive Income (Loss) Information
Three Fiscal Months Ended March 30, 2018

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	$ —	$ 500.4	$ 520.1	$ —	$ 1,020.5
Intercompany	16.7	54.9	48.5	(120.1)	—
	16.7	555.3	568.6	(120.1)	1,020.5
Cost of sales	—	504.9	513.3	(103.4)	914.8
Gross profit	16.7	50.4	55.3	(16.7)	105.7
Selling, general and administrative expenses	8.3	45.8	34.0	(16.7)	71.4
Operating income (loss)	8.4	4.6	21.3	—	34.3
Other income (expense)	—	(1.5)	(14.1)	—	(15.6)
Interest income (expense):					
Interest expense	(14.1)	(15.4)	(3.4)	13.7	(19.2)
Interest income	12.4	1.3	0.9	(13.7)	0.9
	(1.7)	(14.1)	(2.5)	—	(18.3)
Income (loss) before income taxes	6.7	(11.0)	4.7	—	0.4
Income tax (provision) benefit	(1.0)	(1.4)	(2.2)	—	(4.6)
Equity in net earnings of affiliated companies and subsidiaries	(10.0)	2.4	—	7.6	—
Net income (loss) including noncontrolling interest	(4.3)	(10.0)	2.5	7.6	(4.2)
Less: net income (loss) attributable to noncontrolling interest	—	—	0.1	—	0.1
Net income (loss) attributable to Company common shareholders	$ (4.3)	$ (10.0)	$ 2.4	$ 7.6	$ (4.3)
Comprehensive income (loss):					
Net income (loss)	$ (4.3)	$ (10.0)	$ 2.5	$ 7.6	$ (4.2)
Currency translation gain (loss)	2.9	2.9	5.0	(7.9)	2.9
Defined benefit plan adjustments, net of tax	0.8	0.8	0.3	(1.1)	0.8
Comprehensive income (loss), net of tax	(0.6)	(6.3)	7.8	(1.4)	(0.5)
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	—	—	0.1	—	0.1
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$ (0.6)	$ (6.3)	$ 7.7	$ (1.4)	$ (0.6)

Condensed Statements of Operations and Comprehensive Income (Loss) Information
Three Fiscal Months Ended March 31, 2017

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	$ —	$ 466.9	$ 451.3	$ —	$ 918.2
Intercompany	18.2	48.6	50.7	(117.5)	—
	18.2	515.5	502.0	(117.5)	918.2
Cost of sales	—	444.3	454.2	(99.3)	799.2
Gross profit	18.2	71.2	47.8	(18.2)	119.0
Selling, general and administrative expenses	8.0	63.8	41.2	(18.2)	94.8
Operating income (loss)	10.2	7.4	6.6	—	24.2
Other income (expense)	—	3.1	11.5	—	14.6
Interest income (expense):					
Interest expense	(14.3)	(15.0)	(5.9)	14.5	(20.7)
Interest income	13.2	1.3	0.6	(14.5)	0.6
	(1.1)	(13.7)	(5.3)	—	(20.1)
Income (loss) before income taxes	9.1	(3.2)	12.8	—	18.7
Income tax (provision) benefit	(4.4)	3.8	(5.7)	—	(6.3)
Equity in net earnings of affiliated companies and subsidiaries	7.7	7.1	—	(14.8)	—
Net income (loss) including noncontrolling interest	12.4	7.7	7.1	(14.8)	12.4
Less: net income (loss) attributable to noncontrolling interest	—	—	—	—	—
Net income (loss) attributable to Company common shareholders	$ 12.4	$ 7.7	$ 7.1	$ (14.8)	$ 12.4
Comprehensive income (loss):					
Net income (loss)	$ 12.4	$ 7.7	$ 7.1	$ (14.8)	$ 12.4
Currency translation gain (loss)	8.7	8.7	8.0	(16.8)	8.6
Defined benefit plan adjustments, net of tax	0.8	0.8	0.4	(1.2)	0.8
Comprehensive income (loss), net of tax	21.9	17.2	15.5	(32.8)	21.8
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	—	—	(0.1)	—	(0.1)
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$ 21.9	$ 17.2	$ 15.6	$ (32.8)	$ 21.9

Condensed Balance Sheets Information
March 30, 2018

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash and cash equivalents	$ —	$ —	$ 53.5	$ —	$ 53.5
Receivables, net of allowances	—	283.8	528.1	—	811.9
Inventories	—	351.6	377.1	—	728.7
Prepaid expenses and other	—	30.2	31.3	—	61.5
Total current assets	—	665.6	990.0	—	1,655.6
Property, plant and equipment, net	0.3	204.9	320.9	—	526.1
Deferred income taxes	—	21.9	7.2	(21.9)	7.2
Intercompany accounts	1,017.1	123.4	70.9	(1,211.4)	—
Investment in subsidiaries	24.2	593.7	—	(617.9)	—
Goodwill	—	5.6	5.4	—	11.0
Intangible assets, net	0.1	5.1	16.9	—	22.1
Unconsolidated affiliated companies	—	—	0.2	—	0.2
Other non-current assets	—	16.9	41.2	—	58.1
Total assets	$ 1,041.7	$ 1,637.1	$ 1,452.7	$ (1,851.2)	$ 2,280.3
Liabilities and Total Equity					
Current liabilities:					
Accounts payable	$ —	$ 134.1	$ 310.8	$ —	$ 444.9
Accrued liabilities	11.3	69.3	173.9	—	254.5
Current portion of long-term debt	—	—	33.9	—	33.9
Total current liabilities	11.3	203.4	518.6	—	733.3
Long-term debt	777.3	267.7	90.5	—	1,135.5
Deferred income taxes	122.5	—	13.8	(21.9)	114.4
Intercompany accounts	—	1,087.0	124.4	(1,211.4)	—
Other liabilities	—	54.8	109.0	—	163.8
Total liabilities	911.1	1,612.9	856.3	(1,233.3)	2,147.0
Total Company shareholders' equity	130.6	24.2	593.7	(617.9)	130.6
Noncontrolling interest	—	—	2.7	—	2.7
Total liabilities and equity	$ 1,041.7	$ 1,637.1	$ 1,452.7	$ (1,851.2)	$ 2,280.3

Condensed Balance Sheets Information
December 31, 2017

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash and cash equivalents	$ —	$ —	$ 84.7	$ —	$ 84.7
Receivables, net of allowances	—	226.2	488.0	—	714.2
Inventories	—	380.2	355.9	—	736.1
Prepaid expenses and other	—	27.0	33.0	—	60.0
Total current assets	—	633.4	961.6	—	1,595.0
Property, plant and equipment, net	0.3	209.3	320.7	—	530.3
Deferred income taxes	—	26.1	7.9	(26.1)	7.9
Intercompany accounts	1,022.7	114.8	70.3	(1,207.8)	—
Investment in subsidiaries	19.4	581.1	—	(600.5)	—
Goodwill	—	5.6	5.4	—	11.0
Intangible assets, net	0.1	5.6	17.6	—	23.3
Unconsolidated affiliated companies	—	—	0.2	—	0.2
Other non-current assets	—	17.3	50.3	—	67.6
Total assets	$ 1,042.5	$ 1,593.2	$ 1,434.0	$ (1,834.4)	$ 2,235.3
Liabilities and Total Equity					
Current liabilities:					
Accounts payable	$ —	$ 118.1	$ 319.4	$ —	$ 437.5
Accrued liabilities	15.6	88.6	204.6	—	308.8
Current portion of long-term debt	—	—	46.9	—	46.9
Total current liabilities	15.6	206.7	570.9	—	793.2
Long-term debt	776.3	219.9	42.6	—	1,038.8
Deferred income taxes	121.4	—	13.3	(26.1)	108.6
Intercompany accounts	—	1,092.3	115.5	(1,207.8)	—
Other liabilities	—	54.9	108.0	—	162.9
Total liabilities	913.3	1,573.8	850.3	(1,233.9)	2,103.5
Total Company shareholders' equity	129.2	19.4	581.1	(600.5)	129.2
Noncontrolling interest	—	—	2.6	—	2.6
Total liabilities and equity	$ 1,042.5	$ 1,593.2	$ 1,434.0	$ (1,834.4)	$ 2,235.3

Tables of Contents

Condensed Statements of Cash Flows Information
Three Fiscal Months Ended March 30, 2018

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net cash flows of operating activities	$ 3.5	$ (25.1)	$ (63.9)	$ —	$ (85.5)
Cash flows of investing activities:					
Capital expenditures	—	(5.1)	(7.9)	—	(13.0)
Intercompany accounts	—	4.1	—	(4.1)	—
Net cash flows of investing activities	—	(1.0)	(7.9)	(4.1)	(13.0)
Cash flows of financing activities:					
Dividends paid to shareholders	(9.2)	—	—	—	(9.2)
Intercompany accounts	5.7	(20.0)	10.2	4.1	—
Proceeds from debt	—	306.0	232.8	—	538.8
Repayments of debt	—	(258.2)	(201.3)	—	(459.5)
Net cash flows of financing activities	(3.5)	27.8	41.7	4.1	70.1
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	(1.7)	(0.2)	—	(1.9)
Increase (decrease) in cash, cash equivalents and restricted cash	—	—	(30.3)	—	(30.3)
Cash, cash equivalents and restricted cash – beginning of period	—	—	96.2	—	96.2
Cash, cash equivalents and restricted cash – end of period	$ —	$ —	$ 65.9	$ —	$ 65.9

Condensed Statements of Cash Flows Information
Three Fiscal Months Ended March 31, 2017

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net cash flows of operating activities	$ (26.1)	$ (61.6)	$ (0.8)	$ —	$ (88.5)
Cash flows of investing activities:					
Capital expenditures	—	(20.8)	(14.4)	—	(35.2)
Proceeds from properties sold	—	0.1	0.2	—	0.3
Disposal of subsidiaries, net of cash disposed of	—	5.3	—	—	5.3
Other	—	0.2	(0.2)	—	—
Net cash flows of investing activities	—	(15.2)	(14.4)	—	(29.6)
Cash flows of financing activities:					
Dividends paid to shareholders	(9.4)	—	—	—	(9.4)
Intercompany accounts	35.5	(39.9)	4.4	—	—
Proceeds from debt	—	645.3	86.4	—	731.7
Repayments of debt	—	(527.5)	(94.9)	—	(622.4)
Net cash flows of financing activities	26.1	77.9	(4.1)	—	99.9
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	0.6	0.2	—	0.8
Increase (decrease) in cash, cash equivalents and restricted cash	—	1.7	(19.1)	—	(17.4)
Cash, cash equivalents and restricted cash – beginning of period	—	1.0	102.6	—	103.6
Cash, cash equivalents and restricted cash – end of period	$ —	$ 2.7	$ 83.5	$ —	$ 86.2

Intercompany Activity

The Parent Company and its Guarantor Subsidiaries participate in a cash pooling program. As part of this program, cash balances are generally swept on a daily basis between the Guarantor Subsidiaries' bank accounts and those of the Parent Company. There are a significant number of the Company's subsidiaries that participate in this cash pooling arrangement and there are thousands of transactions per week that occur between the Parent Company and Guarantor Subsidiaries, all of which are accounted for through the intercompany accounts.

Parent Company transactions include interest, dividends, tax payments and intercompany sales transactions related to administrative costs incurred by the Parent Company, which are billed to Guarantor Subsidiaries on a cost-plus basis. These costs are reported in the Parent's SG&A expenses on the Condensed Consolidated Statement of Operations and Comprehensive Income (Loss) Information for the respective period(s). All intercompany transactions are presumed to be settled in cash when they occur and are included in operating activities on the Condensed Consolidated Statements of Cash Flows. Non-operating cash flow changes have been classified as financing activities beginning in 2009.

A summary of cash and non-cash transactions of the Parent Company's intercompany account is provided below for the three fiscal months ended March 30, 2018 and the twelve fiscal months ended December 31, 2017:

(in millions)	March 30, 2018	December 31, 2017
Beginning Balance	$ 1,022.7	$ 1,092.4
Non-cash transactions		
Deferred tax	—	53.8
Equity based awards	0.1	13.3
Foreign currency and other	—	0.6
Cash transactions	(5.7)	(137.4)
Ending Balance	$ 1,017.1	$ 1,022.7

Dividends

There were no cash dividend payments to the Parent Company from the Guarantor Subsidiaries in the three fiscal months ended March 30, 2018 or March 31, 2017.

Parent Company Long-Term Debt

At March 30, 2018 and December 31, 2017, the Parent Company was party to the following long-term financing arrangements:

(in millions)	March 30, 2018	December 31, 2017
5.75% Senior Notes due 2022	$ 600.0	$ 600.0
Subordinated Convertible Notes due 2029	429.5	429.5
Debt discount	(252.4)	(253.1)
Debt issuance costs	(8.8)	(9.1)
Other	9.0	9.0
Total Parent Company debt	777.3	776.3
Less current maturities	—	—
Parent Company Long-term debt	$ 777.3	$ 776.3

(in millions)	Q1 2019	Q1 2020	Q1 2021	Q1 2022	Q1 2023
Debt maturities twelve month period ending	$ —	$ —	$ —	$ —	$ 600.0

Long-term debt related to the Parent Company is discussed in Note 11 - Long-Term Debt.

Commitments and Contingencies

For contingencies and guarantees related to the Parent Company, refer to Note 11 - Long-Term Debt and Note 19 - Commitments and Contingencies.

GENERAL CABLE CORPORATION AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand the Company's financial position, changes in financial condition and results of operations. MD&A is provided as a supplement to the Company's Condensed Consolidated Financial Statements and the accompanying Notes to Condensed Consolidated Financial Statements ("Notes") and should be read in conjunction with the Condensed Consolidated Financial Statements and Notes.

Disclosure Regarding Forward-Looking Statements

Certain statements in this report including, without limitation, statements regarding future financial results and performance, plans and objectives, the merger agreement with Prysmian, capital expenditures, understanding of competition, projected sources of cash flow, potential legal liability, proposed legislation and regulatory action, and our management's beliefs, expectations or opinions, are forward-looking statements, and as such, we desire to take advantage of the "safe harbor" which is afforded such statements under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. Forward-looking statements can generally be identified as statements containing the words "believe," "expect," "may," "could," "anticipate," "intend," "should," "estimate," "project," "will," "plan," "assume," "seek to" or other similar expressions, although not all forward-looking statements contain these identifying words.

Actual results may differ materially from those discussed in forward-looking statements as a result of factors, risks and uncertainties over many of which we have no control. These factors, risks and uncertainties include, but are not limited to, the following: (1) the conditions to the completion of the merger may not be satisfied, or the regulatory approvals required for the merger may not be obtained on the terms expected or on the anticipated schedule; (2) the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; (3) the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement between the parties to the merger; (4) the effect of the announcement or pendency of the merger on our business relationships, operating results, and business generally; (5) risks that the proposed merger disrupts our current plans and operations and potential difficulties in our employee retention as a result of the proposed merger; (6) risks related to diverting management's attention from our ongoing business operations; (7) the outcome of any legal proceedings that may be instituted against us related to the merger or the merger agreement; (8) the amount of the costs, fees, expenses and other charges related to the merger; (9) general economic conditions, particularly those in the construction, energy and information technology sectors; (10) the volatility in the price of raw materials, particularly copper and aluminum; (11) our ability to maintain or negotiate and consummate new business or strategic relationships or transactions; (12) impairment charges with respect to our long-lived assets; (13) our ability to achieve all of our anticipated cost savings associated with our previously announced global restructuring plan; (14) our ability to invest in product development, to improve the design and performance of our products; (15) economic, political and other risks of maintaining facilities and selling products in foreign countries; (16) domestic and local country price competition; (17) the impact of technology; (18) our ability to maintain relationships with our distributors and retailers; (19) the changes in tax rates and exposure to new tax laws; (20) our ability to adapt to current and changing industry standards; (21) our ability to execute large customer contracts; (22) our ability to maintain relationships with key suppliers; (23) the impact of fluctuations in foreign currency rates; (24) compliance with foreign and U.S. laws and regulations, including the Foreign Corrupt Practices Act; (25) our ability to negotiate extensions of labor agreements; (26) our ability to continue our uncommitted accounts payable confirming arrangements; (27) our exposure to counterparty risk in our hedging arrangements; (28) our ability to achieve target returns on investments in our defined benefit plans; (29) possible future environmental liabilities and asbestos litigation; (30) our ability to attract and retain key employees; (31) our ability to make payments on our indebtedness; (32) our ability to comply with covenants in our existing or future financing agreements; (33) lowering of one or more of our debt ratings; (34) our ability to maintain adequate liquidity; (35) our ability to maintain effective disclosure controls and procedures and internal control over financial reporting; (36) the trading price of our common stock; and (37) and other material factors.

See Item 1A of the Company's 2017 Annual Report on Form 10-K as filed with the SEC on February 28, 2018 and Part II, Item 1A of this Form 10-Q for a more detailed discussion on some of these risks.

Forward-looking statements reflect the views and assumptions of management as of the date of this report with respect to future events. The Company does not undertake, and hereby disclaims, any obligation, unless required to do so by applicable securities laws, to update any forward-looking statements as a result of new information, future events or other factors. The inclusion of any statement in this report does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

Overview

The Company is a global leader in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for use in the energy, industrial, construction, specialty and communications markets.

The Company additionally engages in the design, integration, and installation on a turn-key basis for products such as high and extra-high voltage terrestrial and submarine systems. The Company analyzes its worldwide operations based on four geographical segments: North America, Europe, Latin America, and Africa/Asia Pacific. As of March 30, 2018, the Company manufactured its product lines in 30 principal manufacturing facilities and sells its products worldwide through its global operations. Additional financial information regarding the Company's segments appears in Note 18 - Segment Information. The Company's guiding principles are as follows:

- Executing the implementation of the Company's strategy to deliver increased operating income margins and returns from the Company's core strategic operations in North America, Latin America and Europe by leveraging economies of scale and capitalizing on the Company's leading positions across key markets where the Company has built long-standing customer relationships, efficient supply chains and a wide range of product offerings;
- Capitalizing on the Company's leading market positions to benefit from key end markets, such as electric utility, industrial and communications;
- Strengthening and expanding customer relationships by providing high quality product lines and customer service;
- Continuing to increase cash flow through operational excellence by leveraging the Company's operating systems, logistical expertise, Lean Six Sigma manufacturing tools and techniques to improve the Company's cost position to increase margins and delivering improved returns through restructuring initiatives;
- Managing the Company's product portfolio by pursuing market share in faster growing and value added product lines;
- Enhancing organization capabilities by leveraging the Company's diversity and intellectual property through the sharing of best practices across the organization; and
- Cultivating a high performance culture with focus on operational execution, compliance, sustainability, safety, and innovation.

By operating under these guiding principles, the Company has been able to build a strong market position in the areas in which it competes. These guiding principles are the foundation of the Company's strategic roadmap developed in 2015 that focuses on optimization of the portfolio, developing leading cost and efficiency positions, growth through innovation and cultivation of a high-performance culture. The Company achieved significant progress in the execution of the strategic roadmap designed to transform the Company into a more focused, efficient and innovative organization. While the Company is benefiting from these significant operational and financial performance improvements, current dynamics in the industry are partially offsetting those accomplishments.

The Company considers its key performance indicators to be volume, as measured in metal pounds sold, operating income, net income, adjusted operating income, earnings before interest, taxes, depreciation and amortization ("EBITDA"), earnings per share, operating cash flows, cash conversion, working capital efficiency and returns on capital employed and invested capital.

Significant Current Business Trends and Events

The wire and cable industry is competitive, mature and cost driven with minimal differentiation for many product offerings among industry participants from a manufacturing or technology standpoint. Over the last several years, the Company and the industry have experienced uneven demand with pockets of relative demand strength and the industry dynamics remain challenging. In certain markets, however, global demand remains below historical levels. The following are significant trends and events that affected the financial results in the three fiscal months ended March 30, 2018.

Merger Agreement with Prysmian S.p.A.

On December 3, 2017, the Company entered into a Merger Agreement with Prysmian S.p.A. Subject to the terms and conditions of the Merger Agreement, at the Effective Time, each Share, except for certain excluded shares, will automatically be canceled and converted into the right to receive $30.00 in cash, without interest.

During the three fiscal months ended March 30, 2018, the Company recognized $2.4 million of merger-related expenses in the SG&A expenses caption in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

See Note 3 - Merger Agreement with Prysmian S.p.A. for additional details and the full text of the Merger Agreement, which was included as Exhibit 2.1 to the Form 8-K filed with the SEC on December 4, 2017.

Effect of copper and aluminum prices

The price of copper and aluminum as traded on the London Metal Exchange (“LME”) and Commodity Exchange, Inc. ("COMEX") has historically been subject to considerable volatility. Volatility in the price of copper and aluminum and other raw materials, as well as fuel and energy, may in turn lead to significant fluctuations in our cost of sales or revenues. A significant portion of the

Company's electric utility and telecommunications business and, to a lesser extent, the Company's electrical infrastructure business has metal escalators and de-escalators included in customer contracts under a variety of price setting and recovery formulas. The remainder of the Company's business requires that volatility in the cost of metals be recovered through negotiated price changes with customers. In these instances, the ability to change the Company's selling prices may lag the movement in metal prices by a period of time as the customer price changes are implemented.

Asia Pacific and Africa divestitures

Since October 2014, the Company completed the following as of March 30, 2018 (amounts presented in millions):

Entity	Sale / Closure	Sale / Closure Date	Gross Proceeds	Pre-tax Gain / (Loss)
New Zealand	Closure	Fourth Quarter 2017	$ 10.3	$ 5.4
China	Sale	Third Quarter 2017	8.8	(19.9)
Algeria	Sale	Second Quarter 2017	3.8	(38.0)
Australia	Closure	Second Quarter 2017	—	(4.2)
Pakistan	Sale	First Quarter 2017	5.3	(3.5)
South Africa - Durban	Closure	Fourth Quarter 2016	—	1.6
South Africa - National Cables	Closure	Fourth Quarter 2016	—	(29.4)
Zambia	Sale	Third Quarter 2016	9.8	(14.4)
Egypt	Sale	Second Quarter 2016	5.8	(8.4)
India	Sale	First Quarter 2016	10.8	1.6
Thailand	Sale	Third Quarter 2015	88.0	16.1
Fiji	Sale	First Quarter 2015	9.3	(2.6)
Keystone	Sale	First Quarter 2015	11.0	3.6
The Philippines	Sale	Fourth Quarter 2014	67.1	17.6

See Note 4 - Divestitures for additional details.

2015 Strategic Roadmap

In the fourth quarter of 2015, the Company committed to a strategic roadmap focused on growth and optimization of the portfolio, developing leading cost and efficiency positions, growth through innovation and cultivation of a high-performance culture. In 2017, the Company approved additional expenditures to further expand, strengthen and accelerate the Company's program targeting operational effectiveness and efficiencies. The additional costs primarily included project management costs, including consulting fees. As of March 30, 2018 the total remaining costs are not material and the remaining restructuring liability at March 30, 2018 is not material.

Total expected costs and costs incurred to date by reportable segment are below (in millions):

	North America	Europe	Latin America	Total
Total expected restructuring costs	$ 81.0	$ 23.0	$ 6.0	$ 110.0
Total costs incurred in the year ended December 31, 2015	$ 0.1	$ 6.7	$ 1.8	$ 8.6
Total costs incurred in the year ended December 31, 2016	48.7	13.7	3.4	65.8
Total costs incurred in the year ended December 31, 2017	31.5	1.2	0.3	33.0
Total costs incurred in the quarter ended March 30, 2018	0.4	—	—	0.4
Total aggregate costs to date	$ 80.7	$ 21.6	$ 5.5	$ 107.8

Total aggregate costs of the program to date include $15.4 million of employee separation costs, $23.7 million of asset-related costs and $68.7 million of other costs, including $49.1 million of consulting fees. As of March 30, 2018, total aggregate cash outlays related to the program were $83.9 million. These actions resulted in the cumulative elimination of approximately 480 positions globally. See Note 5 - Restructuring for additional details.

Resolution of SEC and DOJ investigations

As previously disclosed, in December 2016, we entered into agreements with the SEC and the DOJ to resolve those agencies' respective investigations relating to the FCPA and the SEC's separate accounting investigation related to our financial restatements impacting fiscal years 2012 and prior. Pursuant to those agreements, we paid fines, disgorgement and pre-judgment interest to the SEC and DOJ in the total amount of $82.3 million. Specifically, we paid $20.5 million to the DOJ in January 2017 and $12.4 million, $18.5 million and $30.9 million to the SEC in January 2017, June 2017 and December 2017, respectively.

Foreign currency

The Company's results are directly influenced by fluctuations in foreign currency exchange rates. Uncertainty in the global market conditions has resulted in, and may continue to cause, significant volatility in foreign currency exchange rates. This volatility results in gains / losses on transactions whose terms are denominated in a currency other than the entity's functional currency and the Company's consolidated results are influenced by the translation of the international units' results to U.S. dollars. To help reduce this volatility, the Company enters into foreign currency exchange contracts principally to hedge the currency fluctuations in certain transactions denominated in foreign currencies.

Seasonality

The Company generally has experienced and expects to continue to experience certain seasonal trends in many products in which demand is linked with construction spending. Demand for these products during winter months in certain geographies, primarily North America, is usually lower than demand during spring and summer months. Therefore, larger amounts of working capital are generally required during winter months in order to build inventories in anticipation of higher demand during the spring and summer months, when construction activity increases. In turn, receivables related to higher sales activity during the spring and summer months are generally collected during the fourth quarter of the year. Additionally, the Company has historically experienced changes in demand resulting from poor or unusual weather.

Other Trends

In addition to the factors previously mentioned, the Company is currently being affected by the following general macro-level trends:

- Global demand and pricing are uneven as a result of macroeconomic factors, and therefore, continue to hamper growth in key end markets;
- Currency volatility and continued political uncertainty in certain markets;
- Volatility in the price of copper and aluminum;
- Competitive price pressures in certain markets;
- New commodity deposits are more difficult to find, harder and more expensive to extract, and lower in quantities;
- End market demand in Latin America continues to be hampered by inconsistent construction spending and electrical infrastructure investment;
- Recovery is slow in Europe and demand continues to be uneven for a broad spectrum of products in Europe;
- The U.S. market has remained relatively stable compared to the uneven and challenging operating environments of the emerging economies;
- New communications networks are an enabling technology, which require communication infrastructure investment;
- Climate change concerns are resulting in increased regulatory energy mandates, emphasizing renewable sources of energy;
- Project timing continues to be volatile resulting in a lag in demand in all segments; and
- Countries are seeking greater energy independence for political and economic reasons.

The Company's overall financial results discussed in this section of the quarterly report reflect the above trends.

Results of Operations

The following table sets forth, for the periods indicated, consolidated statements of operations data in millions of dollars and as a percentage of net sales. Percentages may not add due to rounding.

	Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	Amount	%	Amount	%
Net sales	$ 1,020.5	100.0 %	$ 918.2	100.0 %
Cost of sales	914.8	89.6 %	799.2	87.0 %
Gross profit	105.7	10.4 %	119.0	13.0 %
Selling, general and administrative expenses	71.4	7.0 %	94.8	10.3 %
Operating income (loss)	34.3	3.4 %	24.2	2.6 %
Other income (expense)	(15.6)	(1.5)%	14.6	1.6 %
Interest expense, net	(18.3)	(1.8)%	(20.1)	(2.2)%
Income (loss) before income taxes	0.4	— %	18.7	2.0 %
Income tax (provision) benefit	(4.6)	(0.5)%	(6.3)	(0.7)%
Net income (loss) including noncontrolling interest	(4.2)	(0.4)%	12.4	1.4 %
Less: net income (loss) attributable to noncontrolling interest	0.1	— %	—	— %
Net income (loss) attributable to Company common shareholders	$ (4.3)	(0.4)%	$ 12.4	1.4 %

Three Fiscal Months Ended March 30, 2018 Compared with Three Fiscal Months Ended March 31, 2017

Net Sales

The following tables set forth net sales, metal-adjusted net sales, and metal pounds sold by segment, in millions. For the metal-adjusted net sales results, net sales for the three fiscal months ended March 31, 2017 have been adjusted to reflect the three fiscal months ended March 30, 2018 copper average price (based on COMEX) of $3.14 per pound (a $0.49 increase compared to the same period in 2017) and the aluminum average price (based on LME) of $1.12 per pound (a $0.18 increase compared to the same period in 2017).

	Net Sales Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	Amount	%	Amount	%
North America	$ 586.1	57%	$ 543.0	59%
Europe	264.6	26%	181.0	20%
Latin America	168.2	17%	157.9	17%
Africa/Asia Pacific	1.6	—%	36.3	4%
Total net sales	$ 1,020.5	100%	$ 918.2	100%

Metal-adjusted net sales, a non-GAAP financial measure, are provided below in order to eliminate an estimate of metal price volatility from the comparison of revenues from one period to another. The comparable GAAP financial measure is set forth above. See previous discussion of metal price volatility in “Significant Current Business Trends and Events - Effect of copper and aluminum prices".

	Metal-Adjusted Net Sales Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	Amount	%	Amount	%
North America	$ 586.1	57%	$ 587.0	59%
Europe	264.6	26%	193.0	19%
Latin America	168.2	17%	176.0	18%
Africa/Asia Pacific	1.6	—%	39.2	4%
Total metal-adjusted net sales	$ 1,020.5	100%	$ 995.2	100%
Metal adjustment	—		(77.0)	
Total net sales	$ 1,020.5		$ 918.2	

Metal pounds sold is provided below as the Company believes this metric to be an appropriate measure of sales volume since it is not impacted by metal prices or foreign currency exchange rate changes.

	Metal Pounds Sold Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	Pounds	%	Pounds	%
North America	147.9	62%	141.7	58%
Europe	39.2	17%	36.8	15%
Latin America	50.4	21%	56.3	23%
Africa/Asia Pacific	—	—%	9.0	4%
Total metal pounds sold	237.5	100%	243.8	100%

Consolidated:

Net sales increased $102.3 million, or 11%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase was primarily attributable to:

- Higher copper and aluminum prices of $77.0 million
- Favorable foreign currency exchange rate changes of $29.3 million
- Favorable product mix of $25.2 million and increased volume of $5.7 million
- These trends were partially offset by the sale of operations as part of the divestiture programs of $34.9 million

Volume, as measured by metal pounds sold, decreased 6.3 million pounds, or 3%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017, principally due to the divestiture of businesses in Africa/Asia Pacific. Excluding divested businesses, volume, as measured by metal pounds sold, increased 2.7 million pounds.

North America

Net sales in the North America segment increased $43.1 million, or 8%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase was primarily attributable to:

- Higher copper and aluminum prices of $44.0 million
- Increased volume of $13.3 million
- Favorable foreign currency exchange rate changes of $3.3 million
- These trends were partially offset by unfavorable product mix of $14.7 million

Volume, as measured by metal pounds sold, increased 6.2 million pounds, or 4%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017 due to stronger demand for construction, automotive and aluminum rod products.

Europe

Net sales in the Europe segment increased $83.6 million, or 46%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase was primarily attributable to:

- Higher copper and aluminum prices of $12.0 million
- Favorable product mix of $39.5 million
- Favorable foreign currency exchange rate changes of $27.0 million
- Increased volume of $5.1 million

Volume, as measured by metal pounds sold, increased 2.4 million pounds, or 7%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017 driven by stronger demand for electric utility products including subsea and turnkey project activity.

Latin America

Net sales in the Latin America segment increased $10.3 million, or 7%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase was primarily attributable to:

- Higher copper and aluminum prices of $18.1 million
- Favorable product mix of $5.2 million
- These trends were partially offset by lower volume of $12.7 million

Volume, as measured by metal pounds sold, decreased 5.9 million pounds, or 10%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The decrease in demand was primarily driven by uneven spending on electric infrastructure and construction projects as well as the impact of the Company's go-to-market initiatives coupled with a decrease in aerial transmission product shipments in Brazil in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017.

Africa/Asia Pacific

Net sales in the Africa/Asia Pacific segment decreased $34.7 million, or 96%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. Volume, as measured by metal pounds sold, decreased by 9.0 million pounds, or 100%, in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017, primarily attributable to divested businesses.

Cost of Sales

Cost of sales increased $115.6 million to $914.8 million in the three fiscal months ended March 30, 2018 from $799.2 million in the three fiscal months ended March 31, 2017. The increase was primarily due to the increase and sales in the three fiscal months ended March 30, 2018 as compared to the three fiscal months ended March 31, 2017. As previously noted, cost of sales is raw material intensive with copper and aluminum comprising the major cost components for cable products. At current metal prices, material costs are approximately 85% of total product costs with copper and aluminum metal costs comprising approximately 50% of total product cost for the three fiscal months ended March 30, 2018.

Gross Profit

Gross profit decreased $13.3 million, or 11%, for the three fiscal months ended March 30, 2018 as compared to the three fiscal months ended March 31, 2017. Gross profit as a percentage of sales was 10% and 13% for the three fiscal months ended March 30, 2018 and March 31, 2017, respectively. The decrease in gross profit as a percentage of sales was primarily driven by unfavorable pricing trends in North America.

SG&A Expenses

SG&A expense decreased $23.4 million, or 25%, for the three fiscal months ended March 30, 2018 as compared to the three fiscal months ended March 31, 2017. For the three fiscal months ended March 30, 2018 and March 31, 2017, the decrease in SG&A expense was primarily attributable to the benefit of restructuring savings as well as restructuring and divestiture costs of $14.8 million recognized in the three fiscal months ended March 31, 2017.

SG&A expense as a percentage of net sales was approximately 7% and 10% for the three fiscal months ended March 30, 2018 and March 31, 2017, respectively.

Operating Income (Loss)

The following table sets forth operating income (loss) by segment, in millions of dollars.

	Operating Income (Loss) Three Fiscal Months Ended			
	March 30, 2018		March 31, 2017	
	Amount	%	Amount	%
North America	$ 20.7	60 %	$ 25.4	106 %
Europe	7.6	22 %	(3.1)	(13)%
Latin America	6.6	20 %	4.7	19 %
Africa/Asia Pacific	(0.6)	(2)%	(2.8)	(12)%
Total operating income (loss)	$ 34.3	100 %	$ 24.2	100 %

North America

The decrease in operating income for the North America segment was $4.7 million in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net decrease in operating income was primarily due to unfavorable product mix and subsiding metal benefits. In the three months ended March 30, 2018 the Company recorded restructuring and merger-related expenses of $2.8 million. In the three months March 31, 2017, the Company recorded restructuring related charges of $11.9 million.

Europe

The increase in operating income for the Europe segment was $10.7 million in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase in operating income was primarily attributable to stronger subsea project activity in the three fiscal months ended March 30, 2018.

Latin America

The increase in operating income for the Latin America segment was $1.9 million in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net increase in operating income was primarily driven by the impact of performance initiatives in the three fiscal months ended March 30, 2018.

Africa/Asia Pacific

The decrease in operating loss for the Africa/Asia Pacific segment was $2.2 million in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017. The net decrease in operating loss was primarily attributable to the net impact of divestiture activity in the three fiscal months ended March 30, 2018 compared to the three fiscal months ended March 31, 2017.

Other Income (Expense)

Other income (expense) primarily includes gains and losses on derivative instruments that are not designated as cash flow hedges, foreign currency transaction gains or losses, which result from changes in exchange rates between the designated functional currency and the currency in which a transaction is denominated, as well as the non-service cost components of net pension expense. During the three fiscal months ended March 30, 2018 and March 31, 2017, the Company recorded other expense of $15.6 million and other income $14.6 million, respectively. For the three fiscal months ended March 30, 2018, other expense was primarily attributable to $15.0 million related to losses on derivative instruments that were not designated as cash flow hedges and expenses of $0.6 million related to the non-service cost components of net pension expense. For the three fiscal months ended March 31, 2017, other income was primarily attributable to $14.3 million related to gains on derivative instruments that were not designated as cash flow hedges and $0.7 million related to foreign currency transaction gains, partially offset by expenses of $0.4 million related to the non-service cost components of net pension expense.

Interest Expense

Net interest expense of $18.3 million for the three fiscal months ended March 30, 2018 remained relatively flat as compared to $20.1 million for the three fiscal months ended March 31, 2017.

Tax Provision

The Company's effective tax rate for the three fiscal months ended March 30, 2018 and March 31, 2017 was 1150.0% and 33.7% respectively. The high effective tax rate for the three fiscal months ended March 30, 2018 was primarily due to the combined effect of incurring operational losses in jurisdictions where valuation allowances were recorded against net deferred tax assets as well as the general impact of having a low level of pre-tax income, which results in a more volatile effective tax rate.

On December 22, 2017, the Tax Reform Act was signed into law. The Tax Reform Act made comprehensive and complex changes to the U.S. tax law, including but not limited to the following provisions that may have a significant current or future impact on the Company’s tax position: 1) one-time deemed taxable repatriation of the accumulated earnings and profits of foreign subsidiaries as of December 31, 2017; 2) reduction of the federal corporate income tax rate from 35% to 21%; 3) bonus depreciation that will allow for full expensing of qualified fixed assets in the year of acquisition; 4) a new provision designed to effectively impose a minimum tax on certain foreign earnings (commonly referred to as “GILTI”); 5) a new percentage of taxable income limitation on the deductibility of interest expense; 6) adoption of a territorial-type tax system that would generally eliminate U.S. federal income tax on dividends from foreign subsidiaries; 7) repeal of the alternative minimum tax (“AMT”) and related provision enabling the refund of existing AMT credits; 8) creation of a new base erosion tax (“BEAT”) for certain payments made to non-U.S. affiliates; and 9) limitation on the use of net operating losses generated after December 31, 2017 to 80% of taxable income and allowance of an indefinite carry forward period for such net operating losses.

The SEC issued Staff Accounting Bulletin ("SAB") 118, which provides guidance on accounting for the tax effects of the Tax Reform Act. In recognition of the inherent complexities associated with the ASC 740 tax accounting for the Tax Reform Act, SAB 118 provides a measurement period of up to one year from enactment for companies to complete the ASC 740 tax accounting. Although the accounting for the tax effects of the Tax Reform Act are not yet complete, the Company was able to make reasonable estimates of the significant tax effects. In accordance with SAB 118, the Company’s consolidated financial statements for the year ended December 31, 2017 reflected provisional estimates of the tax effects of the deemed repatriation of accumulated earnings and profits of foreign subsidiaries as well as the federal tax rate reduction. Other provisions of the Tax Reform Act were not expected to have a material impact on the consolidated financial statements for the year ended December 31, 2017.

The Company’s recorded a net deferred tax benefit of approximately $16 million as its provisional estimate associated with the tax effect of the Tax Reform Act for the year ended December 31, 2017. This consisted of approximately $46 million of deferred tax expense attributable to the deemed repatriation of off-shore accumulated earnings and profits, and approximately $62 million of deferred tax benefit attributable to the U.S. tax rate reduction. The Company’s provisional estimate included approximately $296 million of accumulated foreign earnings and profits as being deemed to be distributed to the U.S. This deemed repatriation did not alter the Company’s intent or ability to reinvest or redeploy off-shore earnings indefinitely.

As of March 30, 2018, this provisional estimate is still the Company’s best estimate of the tax effects associated with the one-time deemed taxable repatriation of the accumulated earnings and profits of foreign subsidiaries and the tax rate reduction.

In order to finalize the ASC 740 tax accounting for the deemed repatriation of foreign earnings and profits, the Company will need to gather additional information and complete a detailed analysis of the following: 1) its pro rata share of post-1986 earnings and profits of relevant foreign subsidiaries; 2) the amount of non-U.S. income taxes paid with respect to such post-1986 earnings and profits; 3) its cash and liquid asset position at relevant dates; and 4) complex foreign tax credit computations to determine whether it may be beneficial to elect to claim foreign tax credits in lieu of offsetting the deemed repatriation income with net operating losses. In order to finalize the ASC 740 tax accounting for the tax rate reduction, the Company will need to complete the analysis of the tax effect of the deemed repatriation of foreign earnings and profits. In addition, the provisional estimate of the tax effects of the Tax Reform Act could be modified by changes in assumptions or interpretations, additional guidance that may be issued by the Internal Revenue Service, Treasury Department or state tax authorities, or actions we may take. The ASC 740 tax accounting will be completed within the one-year period allowed under SAB 118.

While other provisions of the Tax Reform Act did not materially impact the Company at December 31, 2017, the GILTI tax as well as the limitation on deductibility of interest expense will significantly impact the Company’s tax position prospectively. The Company has elected to account for the GILTI tax in the period in which any tax is incurred and, therefore, did not recorded any deferred tax impacts in the consolidated financial statements for the year ended December 31, 2017. For the period ended March 30, 2018, the Company has recorded tax expense based on $49 million of full year estimated taxable income associated with GILTI. This results in approximately $12.5 million of full year forecasted tax expense and effectively negates the forecasted tax benefit derived from the reduction of the U.S. federal tax rate to 21%.

The Company is forecasting approximately $111 million of interest expense disallowance in 2018 as a result of applying the deduction limitations set forth by the Tax Reform Act. While this is neither expected to impact income tax expense due to the unlimited carryforward period of disallowed interest deductions, nor is it expected to impact cash taxes in 2018, it may have a significant impact on the Company’s cash taxes prospectively.

Liquidity and Capital Resources

Cash flows from operations as well as borrowings under the Revolving Credit Facility provide the primary source for financing operating expenses and other short term liquidity needs. As necessary, the Company incurs additional borrowings to fund working capital, debt and interest payments, as well as discretionary investment in product development, acquisitions, cash dividends and to fund tax payments. The overall cash position of the Company reflects the business results and a global cash management strategy that incorporates liquidity management, economic factors, and tax considerations.

Short term borrowings vary by period based on the working capital requirements, which is dependent on incremental demand for products and changes in the price of copper, aluminum, and other raw material cost inputs. At March 30, 2018, current assets exceeded current liabilities by $922.3 million. Based upon historical experience, the cash on its balance sheet and the expected availability of funds under its credit facilities, the Company believes it has sufficient liquidity to meet funding requirements for cash dividends, working capital, capital expenditures, debt repayment, salaries and related benefits, restructuring activities, interest and taxes for the next twelve months and foreseeable future. The Company maintains approximately $304.7 million of excess availability under its various credit facilities around the world.

The Company generally borrows and repays its Revolving Credit Facility multiple times per month for working capital needs; borrowing on a short term basis is the most effective method to reduce interest costs based on the terms of the agreement. The Company's European operations also participate in accounts payable confirming arrangements with several financial institutions to address working capital requirements in the business. At March 30, 2018, the arrangements had a maximum availability limit of the equivalent of approximately $123.5 million, of which approximately $108.3 million was utilized. The Company's Latin American operations participate in short-term loans and accounts payable confirming arrangements for working capital purposes. At March 30, 2018, the short-term loans and accounts payable confirming arrangements had a maximum availability limit of the equivalent of approximately $81.3 million, of which approximately $31.7 million was utilized.

General Cable Corporation is a holding company with no operations of its own. All of the Company’s operations are conducted, and net sales are generated, by its subsidiaries and investments. Accordingly, the Company’s cash flow comes from the cash flows of its global operations. The Company’s ability to use cash flow from its international operations, if necessary, has historically been adversely affected by limitations on the Company’s ability to repatriate such earnings tax efficiently. As of March 30, 2018 and December 31, 2017, approximately 99% of cash and cash equivalents were held outside of the U.S. by the Company's foreign subsidiaries. If these funds were to be needed for the Company's operations in the U.S., repatriation of the funds would generally result in foreign withholding taxes. However, the Company does not foresee a need to repatriate this cash to fund U.S. operations. In addition, the Revolving Credit Facility provides the Company flexibility in financing operating expenses and any other short term liquidity needs.

Summary of Cash Flows

Operating cash outflow of $85.5 million for the three fiscal months ended March 30, 2018 reflects a net working capital use of $104.9 million as compared to a net working capital use of $123.5 million in the three fiscal months ended March 31, 2017. The net working capital use in the three fiscal months ended March 30, 2018 is primarily due to an increase in receivables of $24.6 million and an increase in inventories of $36.5 million reflecting an increase in copper and aluminum prices from December 31, 2017 as well as a decrease in accounts payable, accrued and other liabilities of $36.9 million. Partially offsetting the above use of cash to fund working capital requirements were cash earnings of $19.4 million defined as net income (loss) adjusted for depreciation and amortization, foreign currency exchange (gains) losses, deferred income taxes, non-cash interest charges and (gains) losses on disposal of property.

The cash outflow from investing activities was $13.0 million in the three fiscal months ended March 30, 2018, primarily reflecting $13.0 million of capital expenditures. The Company anticipates capital spending to be approximately $50 million to $60 million in 2018.

Financing activities resulted in $70.1 million and $99.9 million of cash inflows in the three fiscal months ended March 30, 2018 and March 31, 2017, respectively. The cash inflows of $70.1 million in the three fiscal months ended March 30, 2018 were primarily attributable to increased borrowings on the Company's Revolving Credit Facility of $95.7 million, partially offset by dividend payments of $9.2 million to all common shareholders of record in the three fiscal months ended March 30, 2018. Future declarations of dividends and the establishment of future record dates and payment dates are subject to the final determination of our Board of Directors. In determining dividends, the Board of Directors takes into consideration items such as general business conditions, financial performance, projected cash flows and anticipated financing needs. Future payments of dividends are also subject to the Company's Revolving Credit Facility, the indentures governing the 5.75% Senior Notes, and the requirements of the Delaware General Corporation law. The Company evaluates various factors such as future operating cash flow requirements, other cash flow expectations, investment and financing strategic plans and the overall cost of capital to determine the appropriate levels of short and long-term debt to maintain. Refer to "Debt and Other Contractual Obligations" below for details.

Debt and Other Contractual Obligations

The Company had outstanding debt obligations of $1,169.4 million as of March 30, 2018 and maintained approximately $304.7 million of excess availability under its various credit facilities around the world. The Company utilizes short and long-term debt to address working capital needs, restructuring payments, merger related expenses, debt repayments and interest payments as well as discretionary investments in product development, acquisitions, payment of dividends, repurchase of common stock and taxes. Short-term liquidity and working capital needs are generally supported through operating cash flows as well as borrowings under the Revolving Credit Facility. The Revolving Credit Facility was amended and restated on May 22, 2017 to, among other things, extend the maturity date to May 22, 2022; the facility size remained unchanged at $700 million, $441 million of which may be borrowed by the U.S. borrower, $210 million of which may be borrowed by the European borrowers and $49 million of which may be borrowed by the Canadian borrower. The Company maintains ratings on its public debt; therefore, the Company has and expects to continue to obtain market rates on any new borrowings.

Failure to comply with any of the covenants, financial tests and ratios required by the Company's existing or future debt obligations could result in a default under those agreements and under other agreements containing cross-default provisions, as defined in the Company's Revolving Credit Facility, Subordinated Convertible Notes, 5.75% Senior Notes and various other credit facilities maintained by the Company's subsidiaries. A default would permit lenders to cease making further extensions of credit, accelerate the maturity of the debt under these agreements and foreclose upon any collateral securing that debt. Indebtedness under the Revolving Credit Facility is secured by: (a) for US borrowings under the facility, a first priority security interest in certain tangible and intangible property and assets of certain of the Company’s U.S. subsidiaries, and (b) for Canadian and European borrowings under the facility, a first priority security interest in certain tangible and intangible property and assets of certain of the Company’s Canadian subsidiaries and European subsidiaries. In addition, the lenders under the Revolving Credit Facility have received a pledge of (i) 100% of the equity interests in certain of the Company’s domestic, Canadian and European subsidiaries, and (ii) 65% of the voting equity interests in and 100% of the non-voting equity interests in each material foreign subsidiary directly owned by a U.S. Loan Party.

As of March 30, 2018 and December 31, 2017, the Company was in compliance with all material debt covenants.

The Company’s defined benefit plans at December 31, 2017 were underfunded by $119.5 million. Pension expense for the Company’s defined benefit pension plans for the three fiscal months ended March 30, 2018 was $1.1 million and cash contributions were approximately $2.7 million.

The Company anticipates being able to meet its obligations as they come due based on historical experience and the expected availability of funds under its current credit facilities. At March 30, 2018, maturities of long-term debt during the twelve month periods beginning March 30, 2018 through March 31, 2023 and thereafter are $33.9 million, $0.9 million, $0.8 million, $0.4 million and $950.6 million, respectively, and $182.8 million thereafter.

Off Balance Sheet Assets and Obligations

As of March 30, 2018, the Company had $41.7 million in letters of credit, $169.7 million in various performance bonds and $128.4 million in other guarantees outstanding. Other guarantees include bank guarantees and advance payment bonds. These letters of credit, performance bonds and guarantees are periodically renewed and are generally related to risk associated with self-insurance claims, contract performance, quality and other various bank and financing guarantees. Advance payment bonds are often required by customers when the Company obtains advance payments to secure the production of cable for long-term contracts. The advance payment bonds provide the customer protection on their deposit in the event that the Company does not perform under the contract.

Environmental Matters

The Company's expenditures for environmental compliance and remediation amounted to approximately $2.3 million and $0.7 million for the three fiscal months ended March 30, 2018 and March 31, 2017, respectively. In addition, certain General Cable subsidiaries have been named as potentially responsible parties in proceedings that involve environmental remediation. The Company has accrued $4.7 million at March 30, 2018 and December 31, 2017 for all environmental liabilities. Environmental matters are further described in Note 19 - Commitments and Contingencies. While it is difficult to estimate future environmental liabilities, the Company does not currently anticipate any material adverse effect on its results of operations, cash flows or financial position as a result of compliance with federal, state, local or foreign environmental laws or regulations or remediation costs.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are described in Note 2 - Summary of Significant Accounting Policies to the audited financial statements in the Company's 2017 Annual Report on Form 10-K. In the three fiscal months ended March 30, 2018, there have been no significant changes to these policies. The application of these policies requires management to make estimates and judgments that affect the amounts reflected in the condensed consolidated financial statements. Management bases its estimates and judgments on historical experience, information that is available to management about current events and actions the Company may take in the future and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. In addition, estimates and judgments include allowances for accounts receivable and deferred income taxes; legal, environmental, and asbestos liabilities; inventory costing and valuation; uncertain tax positions; assets and obligations related to pension and other postretirement benefits; intangible and long-lived asset valuations; financial instruments; and revenue recognized under the percentage-of-completion method. There can be no assurance that actual results will not differ from these estimates.

New Accounting Standards

A discussion of recently issued accounting pronouncements is described in Note 2 - Accounting Standards, Item 1 - Condensed Consolidated Financial Statements of this report, and we incorporate such discussion in this MD&A by reference and make it a part hereof.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to various market risks, including changes in interest rates, foreign currency exchange rates and raw material (commodity) prices. To manage risks associated with the volatility of these natural business exposures, the Company enters into commodity and foreign currency derivative agreements, as well as copper and aluminum forward pricing agreements. The Company does not purchase or sell derivative instruments for trading purposes. The Company does not engage in trading activities involving commodity contracts for which a lack of marketplace quotations would necessitate the use of fair value estimation techniques. Refer to Part II, Item 7A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 for additional information regarding the Company's exposure to market risks.

As of March 30, 2018 and December 31, 2017, there were no derivatives that were designated as cash flow hedges.

ITEM 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure. A control system, no matter how well conceived and operated, can provide only reasonable, but not absolute, assurance that the objectives of the control system are met.

In connection with the preparation of this Quarterly Report on Form 10-Q, an evaluation was performed, as of March 30, 2018, under the supervision and with the participation of the Company's management, including the CEO and CFO, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures were effective at a reasonable assurance level as of March 30, 2018.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting, as such item is defined in Exchange Act Rules 13a–15(f) and 15d–15(f), during the fiscal quarter ended March 30, 2018, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

No legal proceedings were initiated during the fiscal quarter ended March 30, 2018 that are reportable and, as of the date of this filing there were no material developments in the legal proceedings previously disclosed in the Company's 2017 Annual Report on Form 10-K, except as discussed in Note 19 - Commitments and Contingencies.

ITEM 1A. RISK FACTORS

For information regarding factors that could affect the Company’s results of operations, financial condition and liquidity, see (i) the risk factors discussion provided under Part I, Item 1A of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and (ii) the “Disclosure Regarding Forward-Looking Statements” included in Part I, Item 2 of this Quarterly Report on Form 10-Q.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes purchases of equity securities by the Company during the quarter ended March 30, 2018:

Period	Total number of shares purchased [1]	Average price paid per share
January 1, 2018 through January 26, 2018	583	$ 29.59
January 27, 2018 through February 23, 2018	20,518	$ 29.56
February 24, 2018 through March 30, 2018	32,677	$ 29.80
Total	53,778	$ 29.71

[1] Represents shares of common stock that were withheld for taxes on the vesting of restricted stock issued pursuant to the Company's equity compensation plans.

Table of Contents

ITEM 6. EXHIBITS

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K as filed with the Securities and Exchange Commission on May 14, 2010).
3.2	Amended and Restated By-Laws of the Company (incorporated by reference to Exhibit 3.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended October 2, 2015).
12.1*	Computation of Ratio of Earnings to Fixed Charges.
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a – 14(a) or 15d – 14.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a – 14(a) or 15d – 14.
32.1*	Certification pursuant to 18 U.S.C. § 1350, as adopted under Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed or furnished, as applicable, herewith.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, General Cable Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

			General Cable Corporation
Signed:	May 7, 2018	By:	/s/ MATTI M. MASANOVICH
			Matti M. Masanovich Senior Vice President and Chief Financial Officer (Principal Financial Officer)
Signed:	May 7, 2018	By:	/s/ LEONARD R. TEXTER
			Leonard R. Texter Senior Vice President and Global Controller (Principal Accounting Officer)

Exhibit 12.1

GENERAL CABLE CORPORATION AND SUBSIDIARIES

Computation of Ratio of Earnings to Fixed Charges
(in millions)

	Three fiscal months ended March 30, 2018	Year ended December 31, 2017	2016	2015	2014	2013
EARNINGS AS DEFINED						
Earnings (loss) from operations before income taxes and before adjustments for minority interests in consolidated subsidiaries and after eliminating undistributed earnings of equity method investees	$ 0.4	$ (38.9)	$ (98.1)	$ (151.1)	$ (636.1)	$ 27.0
Preferred stock dividend (pre-tax equivalent)	—	—	—	—	—	(0.3)
Fixed charges	20.5	84.0	95.9	108.1	127.6	137.0
TOTAL EARNINGS, AS DEFINED	$ 20.9	$ 45.1	$ (2.2)	$ (43.0)	$ (508.5)	$ 163.7
FIXED CHARGES, AS DEFINED						
Interest expense	$ 18.5	$ 75.8	$ 84.2	$ 92.9	$ 112.5	$ 121.0
Amortization of capitalized expenses related to debt	0.7	2.9	5.3	4.1	3.8	3.9
Preferred stock dividend (pre-tax equivalent)	—	—	—	—	—	0.3
Interest component of rent expense	1.3	5.3	6.4	11.1	11.3	11.8
TOTAL FIXED CHARGES, AS DEFINED	$ 20.5	$ 84.0	$ 95.9	$ 108.1	$ 127.6	$ 137.0
RATIO OF EARNINGS TO FIXED CHARGES	1.0	0.5	—	(0.4)	(4.0)	1.2

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Michael T. McDonnell, certify that:

1) I have reviewed this Form 10-Q of General Cable Corporation;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

   a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and;

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and;

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2018

/s/ MICHAEL T. MCDONNELL

Michael T. McDonnell
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Matti M. Masanovich, certify that:

1) I have reviewed this Form 10-Q of General Cable Corporation;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

   a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and;

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and;

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2018

/s/ MATTI M. MASANOVICH

Matti M. Masanovich
Senior Vice President and Chief Financial Officer

Exhibit 32.1

GENERAL CABLE CORPORATION
CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350,
AS ADOPTED UNDER
SECTION 906 OF THE SARBANES-OXLEY ACT OF 202

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code), each of the undersigned officers of General Cable Corporation (the “Company”) individually hereby certify with respect to the Quarterly Report of the Company on Form 10-Q for the quarter ended March 30, 2018 (the "Report") that:

1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	May 7, 2018	/s/ MICHAEL T. MCDONNELL
		Michael T. McDonnell
		President and Chief Executive Officer
Date:	May 7, 2018	/s/ MATTI M. MASANOVICH
		Matti M. Masanovich
		Senior Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 0f Chapter 63 of Title 18 of the United States Code) and is not being filed as part of the Report or as a separate disclosure document.