• Blockchain Technology and Crowdfunding

• Speakers:
  – Jeff Billingham, VP, Markit
  – Paul Conn, President, Computershare Global Capital Markets
  – David L. Montes, Managing Director, Financial Services, Strategy, KPMG LLP
  – Moderated by John Turner, CEO, XBRL International
Why Crowdfunding matters...

Availability of debt and equity funding, especially to small and startup businesses.

**Cost** of that funding - risk premiums and fees, administrative costs and compliance costs.

Availability of alternative investment asset classes.
CAN BLOCKCHAIN TECHNOLOGIES HELP LOWER COSTS AND PROVIDE ENHANCED ACCESS TO DEBT AND EQUITY?

WHAT NEEDS TO HAPPEN FOR THAT TO BECOME A REALITY?
JANE AND KATE WANT TO EXCHANGE CASH FOR STOCK.

THEIR TRANSACTION IS REPRESENTED AS AN ONLINE "BLOCK".

THE BLOCK IS DISTRIBUTED TO EVERY PARTY IN THE NETWORK.

PARTICIPANTS APPROVE THE TRANSACTION AS VALID.

THE BLOCK IS ADDED TO THE CHAIN. THE RECORD IS INDELIBLE AND TRANSPARENT.

THE TRANSACTION IS NOW COMPLETE AND CAN'T BE MODIFIED.
And a “Smart Contract”?

facilitate

execute

monitor

enforce

verify

{ ... on the blockchain }
NOTE 4  INFORMATION BY OPERATING SEGMENT

For internal reporting purposes the Group is structured into the following four business units based on the type of products and services provided:

- Automotive Seating (design of vehicle seats, manufacture of seating frames and adjustment mechanisms, and assembly of complete seating units);
- Emissions Control Technologies (design and manufacture of exhaust systems);
- Interior Systems (design and manufacture of instrument panels, door panels and modules, and acoustic components);
- Automotive Exteriors (design and safety modules).

These business units are managed in terms of reviewing their individual resources. The tables below show indicators used to measure the performance notably operating income and statements. Borrowings, other operating financial income and expense, and tax level and are not allocated to the various operating segments.

4.1 Key figures by operating segment

<table>
<thead>
<tr>
<th>2014</th>
<th>Automotive Seating (in € millions)</th>
<th>Emissions Control Technologies</th>
<th>Interior Systems</th>
<th>Automotive Exteriors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>5,316.9</td>
<td>6,749.6</td>
<td>4,737.0</td>
<td>2,069.7</td>
</tr>
<tr>
<td>Inter-segment eliminations</td>
<td>(8.8)</td>
<td>(2.2)</td>
<td>(27.7)</td>
<td>(6.6)</td>
</tr>
<tr>
<td>Consolidated sales</td>
<td>5,309.1</td>
<td>6,747.4</td>
<td>4,709.3</td>
<td>2,063.1</td>
</tr>
<tr>
<td>Operating income (loss) before allocation of costs</td>
<td>238.6</td>
<td>260.8</td>
<td>134.1</td>
<td>55.7</td>
</tr>
<tr>
<td>Allocation of costs</td>
<td>(4.5)</td>
<td>(4.2)</td>
<td>(5.2)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>234.1</td>
<td>256.6</td>
<td>128.9</td>
<td>53.7</td>
</tr>
<tr>
<td>Other non-operating income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other non-operating expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Finance costs, net</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial income and</td>
<td></td>
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</tbody>
</table>
Discussion

What’s the difference between traditional (crowd)funding and blockchain supported (crowd)funding?

What’s the difference between permissioned ledgers versus open ledgers?
Discussion

What might be the impact of blockchain and crowdfunding on the cost of raising funds?
Discussion

In practical terms, what might be different and why?

What might crowdfunding portals need?

What might businesses need to do differently to take advantage of the new technology?
Can blockchain-driven crowdfunding support the new SEC regulations?

What should regulators do and not do about blockchain supported crowdfunding?
Can the panel point to examples of current blockchain/crowdfunding initiatives?
Discussion

What are the international implications?

Is this driven by technology, regulation, or both?
Discussion

Will crowdfunding, backed by blockchain ledgers be dominated by existing market participants? Or a new wave of market participants
Discussion

Questions