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Derivative instruments, which are not designated as hedging instruments, consist of:

In thousands	Balance sheet classification	Assets (liabilities or equity) fair value	
		As of December 31,	
		2014	2013
Interest rate swaps	Accrued expenses and other current liabilities	\$ 486	\$ 313

In thousands	Statement of operations classification	As of December 31,	
		2014	2013
		Interest rate swaps	Interest expense (income)

As of December 31, 2014 and 2013, we are party to three interest rate swap instruments that are accounted for as economic hedges. These instruments are used to hedge floating rate debt and are not accounted for as cash flow hedges. Under the interest rate swap agreements, we pay the fixed rate and the financial institution counterparties to the agreements pay us a floating interest rate above. The amount recorded in the combined balance sheet, as provided in the table above, represents the estimated fair value of the net amount that we would settle on December 31, 2014 and 2013 if the agreements were transferred to other third parties or canceled by us. Because these interest rate and currency swaps are deemed economic hedges and not accounted for as hedging instruments, the changes in fair value are recognized in interest expense within the combined statements of operations.

As of December 31, 2014, we are party to an interest rate swap and two currency swaps accounted for using hedge accounting. These instruments are used to hedge the interest rate of variable rate debt denominated in U.S. dollars. The amount recorded in the combined balance sheet represents the estimated fair value of the net amount that we would settle on December 31, 2014, if the agreements were transferred to other third parties or canceled by us. We recorded a loss of \$12,903 and a gain of \$2,762 for the effective portion of these cash flow hedges for the year ended December 31, 2014, and 2013 respectively. These were recorded to accumulated other comprehensive income (loss). There was no material ineffectiveness recorded for the years ended December 31, 2014 and 2013, respectively.

Derivative instruments, which are designated as hedging instruments, consist of:

In thousands	Balance Sheet Classification	Assets (Liabilities or Equity) Fair Value	
		As of December 31,	
		2014	2013
Interest rate swap	Other long term assets and accumulated other comprehensive income	\$ (4,780)	\$ 3,669
Cross currency swaps	Other long term assets and accumulated other comprehensive income	\$ 18,183	\$ 5,589

The Company has netted these hedging instruments and they are included in other assets on the combined balance sheet.

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