

11. Property, plant and equipment

(all amounts in Euro thousands)

Group	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Year ended 31 December 2014								
Opening balance	115,871	254,441	201,416	900,651	32,957	11,530	51,273	1,568,139
Additions	3,460	23	516	4,545	479	579	70,336	79,938
Acquisition of subsidiary (note 30)		3,834	929	379	32	12	3	5,189
Disposals (NBV) (note 29)	-	-757	-323	-255	-312	-32	-39	-1,718
Provisions for dismantling	-	-	37	98	-	2	-	137
Reclassification of assets from/to other PPE categories	102	1,707	3,792	19,113	6,795	1,041	-32,216	334
Transfers from inventories (note 19)	-	1,167	-	565	-	-	123	1,855
Transfers from investment properties (note 12)	-	523	3,622	-	-	-	61	4,206
Reclassification of assets from/to intangible assets (note 13)	5	-	-	-	-	-	-402	-397
Depreciation charge (note 29)	-4,931	-2,697	-10,682	-64,380	-9,734	-2,875	-	-95,299
Impairment of PPE (note 29)	-	-	-	-324	-	-	-	-324
Exchange differences	12,509	24,829	10,661	57,302	1,778	226	5,808	113,113
Ending balance	127,016	283,070	209,968	917,694	31,995	10,483	94,947	1,675,173
Leased assets under finance leases								
Opening balance	-	-	-	693	305	-	-	998
Additions	-	-	-	334	1,203	-	-	1,537
Reclassification of assets to other PPE categories	-	-	-	-334	-	-	-	-334
Depreciation charge (note 29)	-	-	-	-113	-21	-	-	-134
Exchange differences	-	-	-	23	19	-	-	42
Ending balance	-	-	-	603	1,506	-	-	2,109
At 31 December 2014								
Cost	179,803	310,467	387,085	1,680,205	199,526	55,517	94,947	2,907,550
Accumulated depreciation	-37,017	-26,745	-177,117	-761,075	-166,025	-45,034	-	-1,213,013
Accumulated losses of impairment of PPE	-15,770	-652	-	-833	-	-	-	-17,255
Net book value	127,016	283,070	209,968	918,297	33,501	10,483	94,947	1,677,282

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)

Group	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Year ended 31 December 2015								
Opening balance	127,016	283,070	209,968	917,694	31,995	10,483	94,947	1,675,173
Additions	2,885	2,465	413	4,266	236	511	149,694	160,470
Disposals (NBV) (note 29)	-661	-37	-298	-1,018	-511	-39	-602	-3,166
Reclassification of assets from/to other PPE categories	5,636	6,649	9,173	70,001	20,972	1,572	-111,774	2,229
Transfers from inventories (note 19)	3,164	-	-	334	-	-	-	3,498
Transfers from other non-current assets	723	-	-	-	-	-	-	723
Reclassification of assets from/to intangible assets (note 13)	107	-	-	-	-	-	-68	39
Depreciation charge (note 29)	-5,664	-3,335	-11,694	-71,741	-9,485	-2,325	-	-104,244
Impairment of PPE (note 29)	-185	-3,999	-	-458	-	-	-8,413	-13,055
Exchange differences	12,040	16,609	5,531	32,854	2,005	159	5,432	74,630
Ending balance	145,061	301,422	213,093	951,932	45,212	10,361	129,216	1,796,297
Leased assets under finance leases								
Opening balance	-	-	-	603	1,506	-	-	2,109
Additions	-	-	-	-	12,087	-	-	12,087
Reclassification of assets to other PPE categories	-	-	-	-378	-1,851	-	-	-2,229
Depreciation charge (note 29)	-	-	-	-60	-867	-	-	-927
Exchange differences	-	-	-	18	354	-	-	372
Ending balance	-	-	-	183	11,229	-	-	11,412
At 31 December 2015								
Cost	187,146	338,441	407,420	1,807,523	233,314	58,702	137,620	3,170,166
Accumulated depreciation	-42,085	-33,023	-194,324	-854,587	-176,873	-48,341	-	-1,349,233
Accumulated losses of impairment of PPE	-	-3,996	-3	-821	-	-	-8,404	-13,224
Net book value	145,061	301,422	213,093	952,115	56,441	10,361	129,216	1,807,709

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)

Company	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Year ended 31 December 2014								
Opening balance	920	3,525	51,610	158,897	850	7,404	9,126	232,332
Additions	16	-	388	1,536	70	540	10,922	13,472
Disposals (NBV) (note 29)	-	-	-	-185	-10	-36	-	-231
Reclassification of assets from/to other PPE categories	-	-	514	2,464	-	245	-3,223	-
Reclassification of assets to intangible assets (note 13)	-	-	-	-	-	-	-197	-197
Provisions for dismantling	-	-	37	98	-	2	-	137
Transfers from investment properties (note 12)	-	523	3,621	-	-	-	-	4,144
Depreciation charge (note 29)	-63	-	-2,237	-9,795	-160	-949	-	-13,204
Reversal of impairment of PPE due to disposal (note 29)	-	-	-	15	-	-	-	15
Ending balance	873	4,048	53,933	153,030	750	7,206	16,628	236,468
At 31 December 2014								
Cost	1,656	4,048	96,710	317,004	3,489	26,348	16,628	465,883
Accumulated depreciation	-783	-	-42,777	-163,485	-2,739	-19,142	-	-228,926
Accumulated losses of impairment of PPE	-	-	-	-489	-	-	-	-489
Net book value	873	4,048	53,933	153,030	750	7,206	16,628	236,468
Year ended 31 December 2015								
Opening balance	873	4,048	53,933	153,030	750	7,206	16,628	236,468
Additions	-	241	250	2,767	97	393	12,795	16,543
Disposals/write-offs (NBV) (note 29)	-	-	-	-6	-36	-13	-	-55
Reclassification of assets from/to other PPE categories	-	-	527	9,418	-	-	-9,945	-
Reclassification of assets to intangible assets (note 13)	-	-	-	-	-	-	-55	-55
Depreciation charge (note 29)	-63	-	-2,270	-10,041	-155	-959	-	-13,488
Reversal of impairment of PPE due to disposal (note 29)	-	-	-3	3	-	-	-	-
Ending balance	810	4,289	52,437	155,171	656	6,627	19,423	239,413
At 31 December 2015								
Cost	1,656	4,289	97,487	328,898	3,419	26,693	19,423	481,865
Accumulated depreciation	-846	-	-45,047	-173,241	-2,763	-20,066	-	-241,963
Accumulated losses of impairment of PPE	-	-	-3	-486	-	-	-	-489
Net book value	810	4,289	52,437	155,171	656	6,627	19,423	239,413

11. Property, plant and equipment (continued)

Disposal of assets

Group

During 2015, the Group received €1.1 mil. (2014: €0.2 mil.) from the disposal of tangible assets with total net book value of €3.2 mil. (2014: €1.8 mil.). Thus, the Group recognized €2.2 mil. losses (2014: €1.5 mil. losses) on disposal of PPE in the consolidated income statement (note 4).

Company

During 2015, the Company received €356 thousand (2014: €183 thousand) from the disposal of tangible assets with total net book value of €55 thousand (2014: €231 thousand). Thus, the Company recognized €124 thousand gains (2014: €48 thousand losses) on disposal of PPE in the income statement (note 4).

Impairment of property, plant and equipment:

The Group's subsidiary, Titan America LLC, decided to suspend development activities at the site of a proposed cement plant in Eastern North Carolina, USA (the "Castle Hayne" project). In reaching the decision to suspend development activities, the Company took into consideration a number of factors including:

- The evolution of supply and demand balances in the specific regional market to be served by the proposed plant;
- The relatively high cost of constructing and operating a new cement plant in the US environment (which have increased substantially in the past few years); and
- The increased risk profile of the coastal project in the context of excess low-cost global production capacity, low ocean freight rates, and a strengthening US Dollar.

As a result of its decision to suspend development activities at the Castle Hayne site, the Company recorded an impairment provision of €12.4 mil. to bring the asset to its recoverable amount of €1.0 mil. within the December 31, 2015 financial statements. The fair value was obtained through an independent valuator and represents a level 3 in the valuation hierarchy.

Pledge of assets

The assets of the Group and the Company have not been pledged.

12. Investment property

The Group's investment property does not include certain investment properties of the Company, which are leased to Group subsidiaries, and as a result, are included in property, plant and equipment in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified valuers, members of the institute of the certified valuers and certified from the European Group of Valuers' Associations (TEGoVA) & RCIS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)

	Group		Company	
	2015	2014	2015	2014
Opening balance	9,267	13,220	9,908	13,973
Additions	31	61	-	-
Disposals	-161	-	-161	-
Net (loss)/gain from measurement at fair value (note 4)	-300	125	-286	79
Transfer from own-used property after revaluation	-	65	-	-
Transfer to property, plant and equipment (note 11)	-	-4,206	-	-4,144
Transfer from inventories (note 19)	715	-	-	-
Exchange differences	-4	2	-	-
Ending balance	9,548	9,267	9,461	9,908

	Group		Company	
	2015	2014	2015	2014
Rental income derived from investment property	212	200	57	52
Direct operating expenses (including repair and maintenance) that did not generate rental income	-24	-8	-	-8
Net profit arising from investment properties carried at fair value	188	192	57	44

The fair value measurement of the investment property of the Company has been mainly conducted in accordance with the comparative method or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.