

11. Property, plant and equipment

Disposal of assets

Group

During 2016, the Group received €0.9 million (2015: €1.1 million) from the disposal of tangible assets with total net book value of €4.2 million (2015: €3.2 million). Thus, the Group recognized €3.3 million losses (2015: €2.2 million) on disposal of PPE in the consolidated income statement (note 4).

Company

During 2016, the Company received €102 thousand (2015: €356 thousand) from the disposal of tangible assets with total net book value of €50 thousand (2015: €55 thousand). Thus, the Company recognized €52 thousand gains (2015: €124 thousand) on disposal of PPE in the income statement (note 4).

Impairments of property, plant and equipment

During 2016, the Group recorded an impairment amounting to €5.2 million mainly due to machinery impairment in Greece and Western Europe segment. The machinery was impaired as its recoverable amount was lower than its carrying amount. The recoverable amount is the fair value less costs to sell and was determined using a sale price quote from an unrelated third party as the amount that the buyer would purchase this machinery. This quote is not from an active market and represents a level 3 in the valuation hierarchy.

During 2015, the Group's subsidiary in U.S.A., Titan America LLC (TALLC), decided to suspend of development activities at the site of a proposed cement plant in Eastern North Carolina, USA (the "Castle Hayne" project). As a result of this, TALLC recorded an impairment provision of €12.4 million to bring the asset to its recoverable amount of €1.0 million 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.

Property, plant and equipment pledged as security

The assets of the Company have not been pledged. On the Turkish subsidiary Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. assets, there is mortgage of €4.6 million, securing its bank credit facilities.