25. Retirement and termination benefit obligations

Greece

Greek labor legislation requires that the payment of retirement and termination indemnities is based on the number of years of service to the Company by the employees and on their final remuneration. The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2016. The principal actuarial assumptions used were a discount rate of 1.5% (2015: 1.9%), future salary increases of 1.75% (2015: 2%) and no change in future pensions.

USA

The Group's U.S. subsidiaries operate defined benefit plans and other post-retirement benefit plans. The method of accounting for the latter, as well as the valuation assumptions and the frequency of valuations are similar to those used for defined benefit plans.

All of the Group's U.S. subsidiaries' defined benefit pension plans and all but one of its other post-retirement plans have been frozen as to new participants and credited service. One post-retirement benefit plan exists (for certain active and former employees) whereby eligible retirees receive benefits consisting primarily of assistance with medical insurance costs between the dates of early retirement and Medicare eligibility.

On 31 December 2016 the plan assets of the Group's subsidiaries in the US have invested approximately 58% (2015: 57%) in equity instruments quated in US and international stock markets and 42% (2015: 43%) in fixed investments (US and international bonds). The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the U.S. was 4% (2015: 4%).

Multi-employer plan

Certain employees participate in a union sponsored, defined benefit multi-employer pension plan. This plan is not administered by the Group's U.S. subsidiaries and contributions are determined in accordance with the provisions of the negotiated labor contract. These contributions are affected by the funded status of the plan.

Excess benefit plan

This plan is intended to constitute an unfunded plan of deferred compensation for a selected group of highly compensated employees under the Employee Income Security Act of 1974 ("ERISA"). For this purpose the Group's U.S. subsidiary created an irrevocable trust to facilitate the payment of deferred compensation to participants under this plan. Under this plan the participants are eligible to defer from 0% to 20% of eligible compensation for the applicable plan year. In 2012, the Group's U.S. subsidiary suspended its matching amounts for all contributions. On 31 December 2016 and 2015, plan assets totaled €4,364 thousand and €4,578 thousands, respectively, and are classified as other non current assets in the accompanying consolidated statement of financial position (note 17). There were no costs for the plan for the year ended 31 December 2016 or 2015.

25. Retirement and termination benefit obligations (continued)

The amounts relating to defined benefit pension plans and other post retirement and termination benefits (defined benefit plans) recognized in the statement of comprehensive income in the account other expenses are as follows:

(all amounts in Euro thousands)

	Group		Company	
	2016	**2015**	**2016**	**2015**
Current service cost	4,149	3,436	994	843
Interest cost	964	996	249	238
Return on plan assets	-431	-442	-	-
	4,682	**3,990**	**1,243**	**1,081**
Additional post retirement and termination benefits paid out, not provided for	445	789	422	453
	5,127	**4,779**	**1,665**	**1,534**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	4,594	4,225	1,416	1,296
Amounts recognized in finance cost (note 6)	533	554	249	238
Amounts recognized in the income statement	**5,127**	**4,779**	**1,665**	**1,534**
Re-measurement losses/(gains) recognized immediately in other comprehensive (loss)/income	1,475	-2,767	2,067	-1,601
Amount charged to statement of total comprehensive income	**6,602**	**2,012**	**3,732**	**-67**
Present value of the liability at the end of the period	**49,297**	**46,428**	**15,870**	**13,087**
Minus fair value of US plans assets	-15,336	-15,410	-	-
	33,961	**31,018**	**15,870**	**13,087**

Liabilities' movement recognized in the statement of financial position:

	Group		Company	
	2016	**2015**	**2016**	**2015**
Opening balance	**31,018**	**31,727**	**13,087**	**14,029**
Total expense	5,127	4,665	1,665	1,534
Re-measurement losses/(gains) recognized immediately in other comprehensive (loss)/income	1,475	-2,767	2,067	-1,601
Other	59	-	-	-
Exchange differences	26	1,451	-	-
Benefits paid during the year	-3,744	-4,058	-949	-875
Ending balance	**33,961**	**31,018**	**15,870**	**13,087**

Changes in the fair value of US plan assets:

	Group	
	2016	**2015**
Fair value of plan assets at the beginning of the period	15,410	14,854
Expected return	664	81
Company contributions	423	596
Employee contributions	-	-
Administrative expenses	-245	-191
Benefits paid	-1,411	-1,653
Exchange difference	495	1,723
Fair value of plan assets at the end of the period	**15,336**	**15,410**

25. Retirement and termination benefit obligations (continued)

A quantitative sensitivity analysis for significant assumptions is shown below:

(all amounts in Euro thousands)

Assumptions	Group		Company	
	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
	Year ended 31 December 2016			
Impact on the net defined benefit obligation:				
Discount rate	-3,366	3,996	-1,557	1,845
Salary	2,171	-1,873	1,820	-1,567
Health care costs	-96	111	-	-
Impact on the current service costs:				
Discount rate	-30	35	-86	108
Salary	147	-122	113	-91
Healthcare costs	6	-5	-	-
	Year ended 31 December 2015			
Impact on the net defined benefit obligation:				
Discount rate	-3,229	3,853	-1,334	1,588
Salary	1,873	-1,609	1,569	-1,345
Health care costs	-152	179	-	-
Impact on the current service costs:				
Discount rate	-12	29	-119	146
Salary	131	-107	150	-124
Healthcare costs	8	-7	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected payments to be made in the future years out of the defined benefit plan obligation:

	Group		Company	
	2016	2015	2016	2015
Not later than 1 years	2,821	2,992	1,428	1,516
Later than 1 years and not later than 5 years	7,441	7,037	1,868	1,585
Later than 5 years and not later than 10 years	11,767	11,217	4,777	4,178
Beyond 10 years	33,521	32,562	11,145	9,263
Total expected payments	**55,550**	**53,808**	**19,218**	**16,542**

The components of re-measurement (gains)/losses recognized immediately in the other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

	Group		Company	
	2016	2015	2016	2015
Due to experience	-619	-231	41	316
Due to assumptions (financial)	2,635	-2,710	2,026	-1,917
Due to assumptions (demographic)	-308	-146	-	-
Re-measurement losses/(gains) on DBO	1,708	-3,087	2,067	-1,601
Re-measurement (gains)/losses on plan assets	-230	336	-	-
Re-measurement losses/(gains) for the period	**1,478**	**-2,751**	**2,067**	**-1,601**