

22 Post-employment benefits and employee benefits

At June 30, 2014, the Group's liability to all its employees determined using the criteria set out in IAS 19 was €18.2 million.

The balance mainly consists of Italian post-employment benefits (TFR) related to Salini Impregilo S.p.A. and its Italian subsidiaries. At June 30, 2014 and December 31, 2013, the liability for post-employment benefits is the outstanding payable at the reform effective date, net of benefits paid up to the reporting dates. The liability is considered part of a defined benefit plan under IAS 19 and has, therefore, been subjected to actuarial valuation. The valuation, performed with the assistance of an independent expert, was based on the following rates:

- turnover rate: 7.25%;
- discount rate: 2.3%;
- advance payment rate: 2%;
- inflation rate: 2%.

The benchmark used for the discount rate is the Iboxx AA Corporate index for the Eurozone with an average financial duration in line with the fund being valued.

Changes in this item are as follows:

	December 31, 2013	Accrual for the year	Payments	Change in consolidation scope di cons. e other changes	Contributions transferred to INPS treasury and other funds	Profits (losses) actuarial	June 30, 2014
(Amounts in thousands of euros)							
Post-employment benefits and employee benefits	20,508	5,781	(6,977)	(547)	(961)	378	18,182

Other changes includes exchange rate gains and losses, while the actuarial gains and losses have been recognized separately in a specific equity reserve, as required by the revised IAS 19.