

5.3 Inventories

Accounting policy applied

Inventories are carried at their cost or net realizable value, whichever is lower. Inventories releases are made using the FIFO method. The realizable value is the estimated sale price of inventories less any costs necessary to effect the sale. The Group creates impairment losses for inventory value if redundant or damaged inventories exist or when the net sale price of the inventory is lower than its carrying amount. The amount of the impairment loss for inventories is determined on the basis of usefulness analysis conducted at least at the end of each financial year. Based on this analysis, impairment losses for inventories are made with respect to inventories useless from the Group's point of view.

Structure of inventories

	31/12/2018	31/12/2017
Strategic inventories	31.4	28.5
Rolling stock during liquidation	20.7	29.7
Other inventories	114.1	95.3
Impairment losses	(4.5)	(5.0)
Net inventories	161.7	148.5

List of changes in impairment losses for inventories

	2018	2017
As at the beginning of the reporting period	5.0	7.3
Recognition	0.4	0.8
Reversal	-	(0.8)
Utilization	(0.9)	(2.3)
As at the end of the reporting period	4.5	5.0