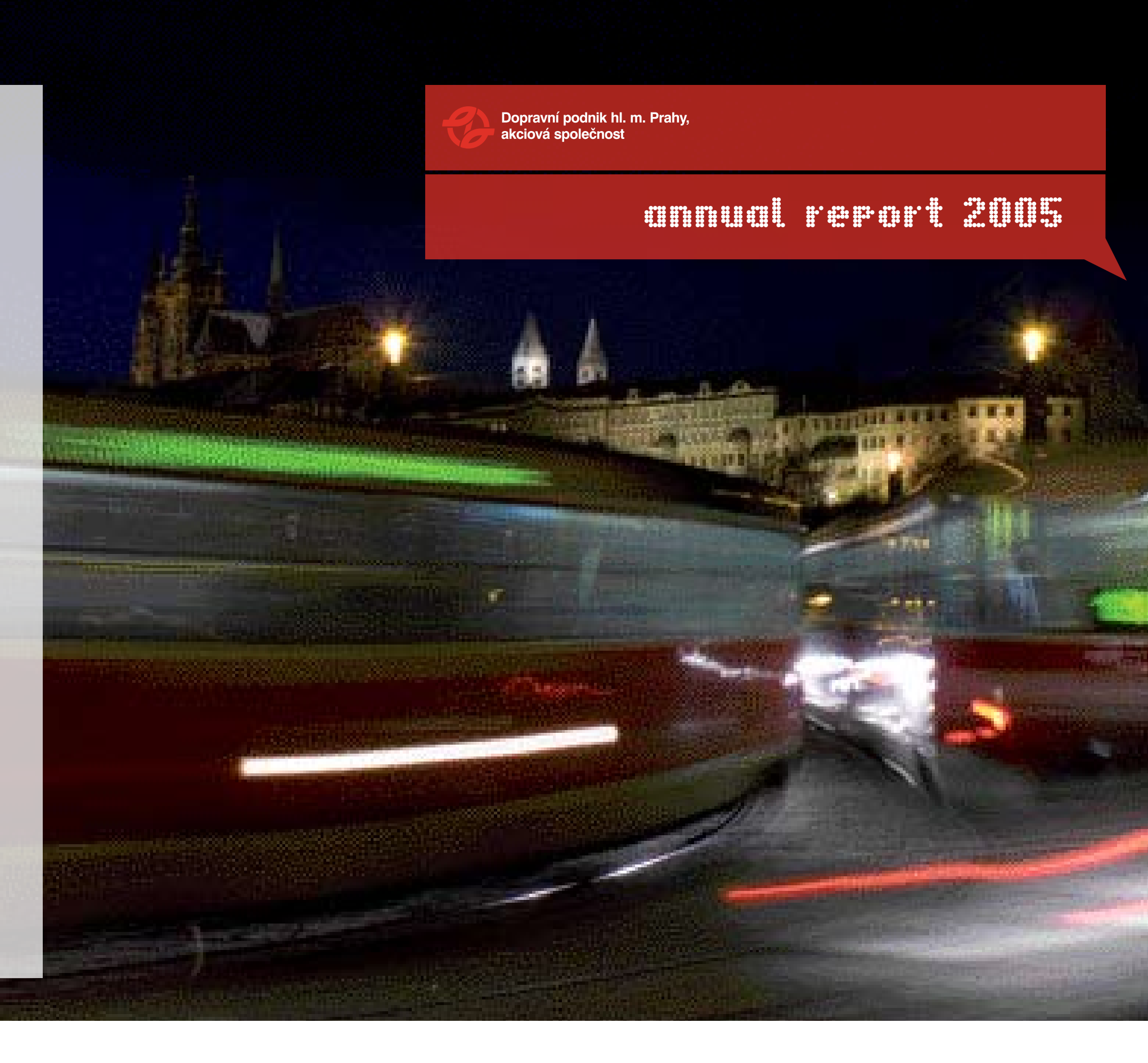




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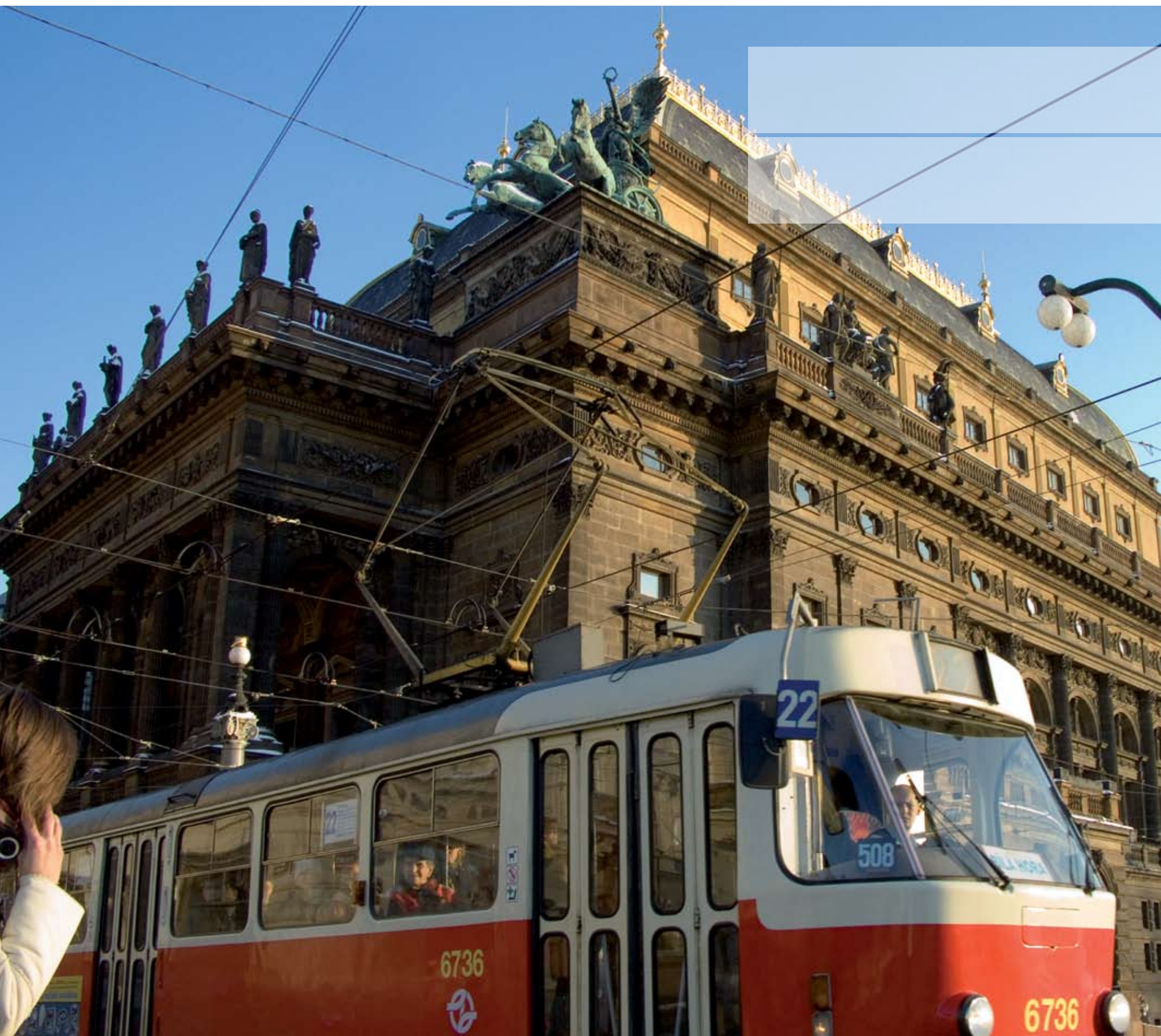
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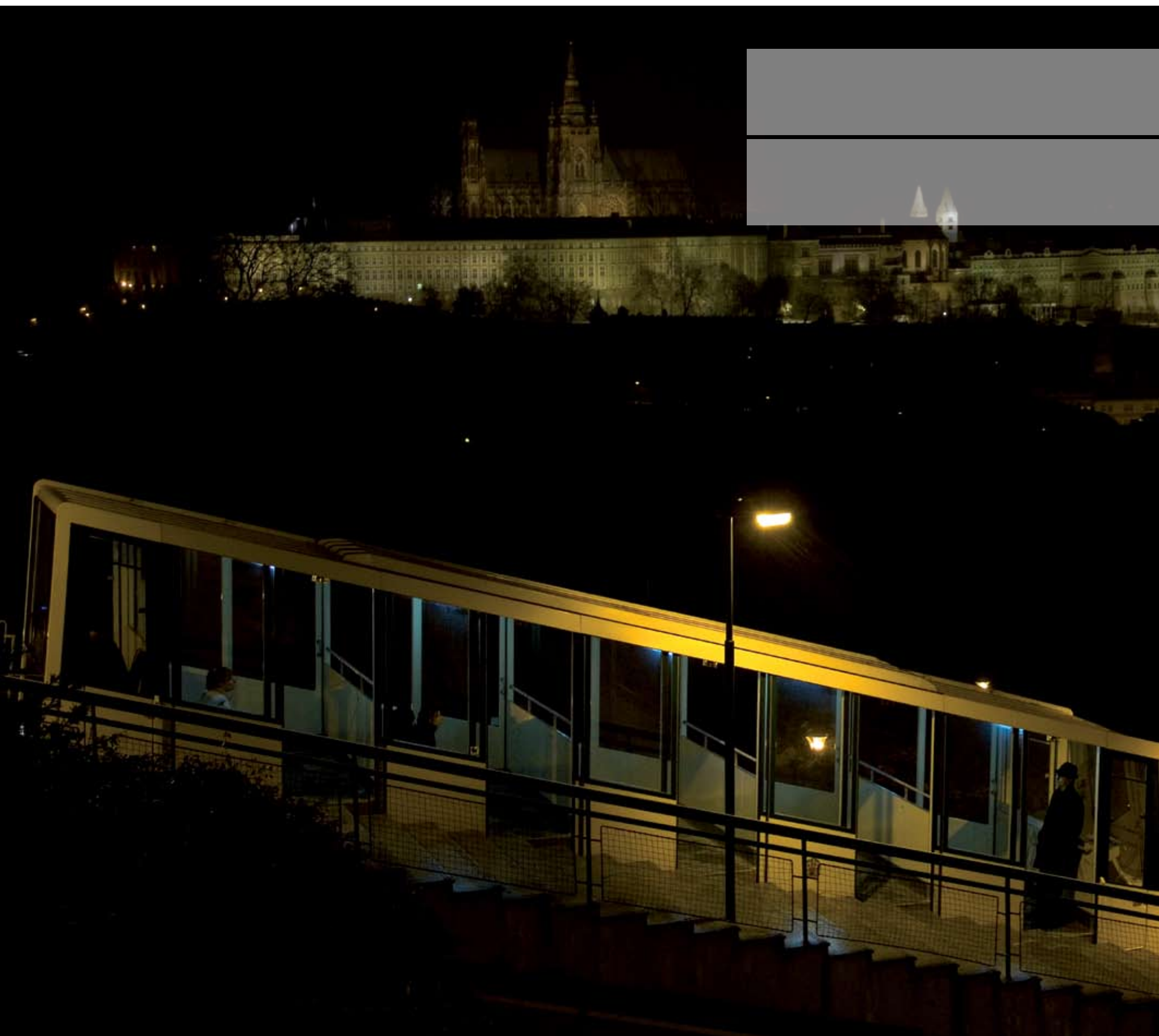
annual report 2005





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letter from the chairman

**Dear members of the Prague City Council, dear employees,
dear passengers!**

You are just opening the Annual Report of Prague Public Transit Co. Inc. for the year 2005 – a breakthrough period in the long-term history of Prague public transport system and its major operator.

The year 2005 did not start quite ideally for Prague Public Transit Co. Inc. The company's long-term Chairman of the Board of Directors and General Manager, Ing. Milan Houfek, died after a serious illness at the end of February. His name will always be associated with the efforts to make Prague public transport system at the turn of millennium more attractive.

In September, we commemorated 130 years of public transport system in Prague. In the second half of the 19th century Prague citizens could only use the services of a horse tram. At the beginning of the 21st century we have 54 km of underground tracks of Prague metro system. This transport mode has been substantially changing the face of the city. In 2005, the most important changes were introduced in the northern part of the city with development of an additional extension of metro line C as well as in the area of Hostivař, Strašnice, Malešice with a newly developed metro station in a part of the depot, offering a new quality of transport services for the adjacent region.

Public transport system development continued in spite of a demanding process of transformation. The year 2005 was a significant milestone for this project. In addition to continued metro system development, introduction of new technologies and particularly substantial renewal of the rolling stock and fleet are very positive.

Ten years ago, we used to see the first low-floor bus in the streets of Prague and in 2005 buses designed to carry people with reduced mobility and orientation ability are absolutely commonplace. More than half of daytime bus services are currently provided by these types of buses.

Development of lifts and inclined platforms at metro stations represents a substantial contribution to a better accessibility of metro stations in the city center. These easy access facilities were not taken into account when these stations were built in the 1970s and 1980s and we thus settle the debt we owe to our clients.

For many years, we have been concerned about the condition of the tram rolling stock and together with Praguers have waited for a low-floor tram. The year 2005 was really a breakthrough in this respect. A refurbished, articulated tram with an integrated low-floor section has been in service as early as from the mid-2005. In December 2005 new trams, known as 14T, manufactured by Skoda Transportation, were delivered to Prague. This modern tram represents a revolution in light rail, like new M1 train in the metro system several years ago.

Renewal of the rolling stock through acquisition of new vehicles, offering lower power consumption and thus being more environmentally friendly and at the same time providing sufficient comfort to all passengers, is one of the main objectives of the owner of Prague Public Transit Co. Inc., i.e. the City of Prague. Only an attractive public transport system can help us to win additional clients and thus to maintain private car traffic in the historic center of the city at a reasonable level. Public transport does not involve only modern vehicles complying with global standards but also more friendly environmental impacts. As a result, Prague Public Transit Co. Inc. aims at reducing noise levels by means of new technologies used during extensive reconstructions of tram tracks. In 2005, tram track in Sokolovská Street was reconstructed using such methods.

A positive assessment of Prague public transport system is a great commitment for the future. Let us continue the process of transformation to be competitive on the opening European public transport market.

Radovan Šteiner



letter from the general manager

Dear shareholders, dear colleagues,

Looking back to the year 2005, a change occurs to me as a synonym of it. We experienced more changes than we were willing to admit at the beginning of 2005.

When looking back to the previous twelve months a more positive feeling prevails but there is always something to approve. When we started to implement the Transformation Project at the beginning of 2004 one of the main premises was that clients would not feel any in-house changes. Today, generally, I can say that no one has felt such changes.

Last year, we managed to maintain and even improve (based on response of our clients) the quality of the services provided. The fact that even at the time of the most important post-war changes in the organizational structure of the company our everyday services are at least equally safe and reliable as at the time before the introduction of transformation is the most important message to all.

In connection with the abovementioned I would like to express my sincere thanks to all employees of the company, particularly to drivers, traffic controllers and other operating staff.

Even if I hear some critical comments on the activities of the company these are mostly instant complaints or exaggerations of some cases presented in media. Even in the field of public transport it holds that no-one is a prophet in his own land. The result of comparison of our company with our colleagues on the European level is very positive for us and should, therefore, encourage us in our further work.

Prague public transport system is assessed very positively in terms of its scope which is rightfully admired by many foreign visitors. In spite of the wide scope of transport services we manage to maintain a high level of accuracy. When waiting for a service I always look at the timetable and in the absolute majority of cases the relevant service is on time as specified in the timetable.

Naturally, our effort associated with maximum accuracy and service quality is demanding in terms of funds but it fructifies. We use dispatching control systems to a greater extent. With respect to the tram system these systems are already a routine and with respect to the bus system about one sixth of the bus fleet has been equipped with the modern technology.

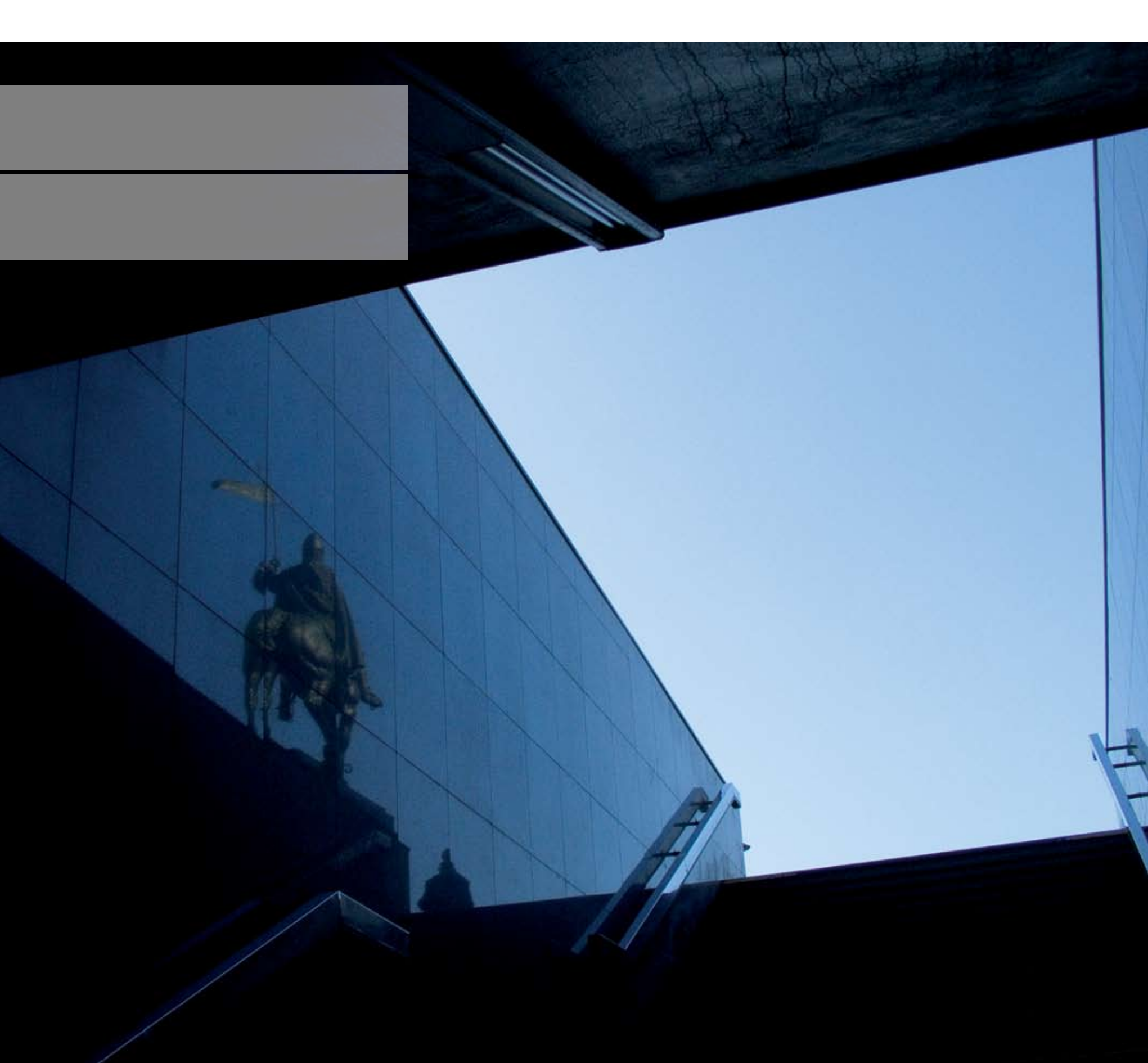
I am very pleased about the fact that our focus on the quality of services provided has been acknowledged also by our customers. I must admit that we were quite concerned about fare increases introduced in July 2005; we were concerned about a possible outflow of public transport customers. It is gratifying that there was no drop in passenger numbers. Compared to 2004, in spite of a drop in the sales of single tickets season tickets have become widely popular. We carry the same number of local residents and visitors to the city as we used to carry in the 1990s which is a positive reference for us. Obviously, the Transformation Project and related changes were the most important topic of in-house discussions in 2005. The new organizational structure was globally implemented effective from the 1 January 2006.

The change from the so-far line management to the process management was associated with a number of difficulties as the new management method requires new approaches to be applied by each of us.

With regard to a tight financial situation throughout the year it is very gratifying that the transformation of the company brought first specific financial savings as early as in 2005, whether in terms of personnel costs or in terms of operating costs. At the end of 2005 I heard many times that the Transformation Project ended with organizational changes. No. We are now facing the most important stage to optimize all our activities to be able to compare with competitors already operating in the streets of Prague not only in terms of service quality but also in terms of price.

The achievements resulting from the past months will be obvious not until our services are fully compatible. We have implemented the process of transformation mainly for ourselves to be able to permanently maintain a high share on the public transport market in Prague. We have to keep this in mind also in 2006.

Tomáš Jílek





organization chart

Board of Directors

Supervisory Board

General Manager

General Management

Press Agent's Dept.
General Manager's Office
Legal Dept.
Internal Audit Control Dept.
Strategy & Management Dept.
Transformation Project Dept.

Transport Section

Operation Preparation Dept.
Marketing & Information Service Dept.
Ticket Inspection Dept.
Traffic Control & Management Dept.
Timetables Dept.
Metro Operation Unit
Tram Operation Unit
Bus Operation Unit

Technical Section

Investment Dept.
Constructions & Facilities Dept.
Power System Dept.
Metro Rolling Stock Management Unit
Tram Rolling Stock Management Unit
Bus Fleet Management Unit
Metro Wayside Unit
Tram Wayside Unit

Business & Economic Section

Financing Dept.
Special Analysis & Controlling Dept.
Tickets & Revenue Dept.
Management Economics Dept.
Accounting Dept.

Human Resources Section

HR Strategy Dept.
Staff Dept.
Social Welfare & Coll. Agreement Dept.
Staff Education & Training Dept.

Service Section

from 1 July 2005

Files Service Dept
Information & Communication Technology Unit
In-house Transport Unit
Immovable Property Management
Supply Service Unit
Coach Service Unit

Safety & Security Section

Crisis Management & Planning Dept.
Fire Service

Note: names effective from 1 January 2006

Board of Directors

Radovan Šteiner – chairman *

JUDr. Petr Hulinský – vice-chairman

Ing. Petr Blažek – member **

Petr Hána – member

Ing. Jan Heroudek – member

Ing. Tomáš Jílek – member

Ing. Karel Matouš – member

Ing. Václav Pomazal, CSc. – member

Ing. Vladimír Řihák – member

* the former chairman. Ing. Milan Houfek, died on 23 February 2005; Radovan Šteiner, the former vice-chairman, was elected chairman on 14 July 2005

** from 24 May 2005

Supervisory Board

Ing. Martin Hejl – chairman

Jiří Šindelář – vice-chairman

Mgr. Rudolf Blažek – member

Jiří Čada – member

František Kadlec – member ***

Ing. Jiří Kaňák – member

Prof. Ing. Petr Moos, CSc. – member

Jan Štrof – member

Petr Zajíček – member

*** from 29 April 2005 until 28 2005 -
Ing. Václav Procházka was a member

Management

Ing. Tomáš Jílek – General Manager ****

Ing. Petr Blažek – Transport Manager

Ing. Jiří Bezdiček – Technical Manager *****

Ing. Václav Pomazal, CSc. – Commercial and Economic Manager

Ing. Jaroslav Ďuriš – HR Manager

RSDr. Antonín Fedorko – Safety and Security Manager

Ing. Petr Šmolka – Service Section Manager *****

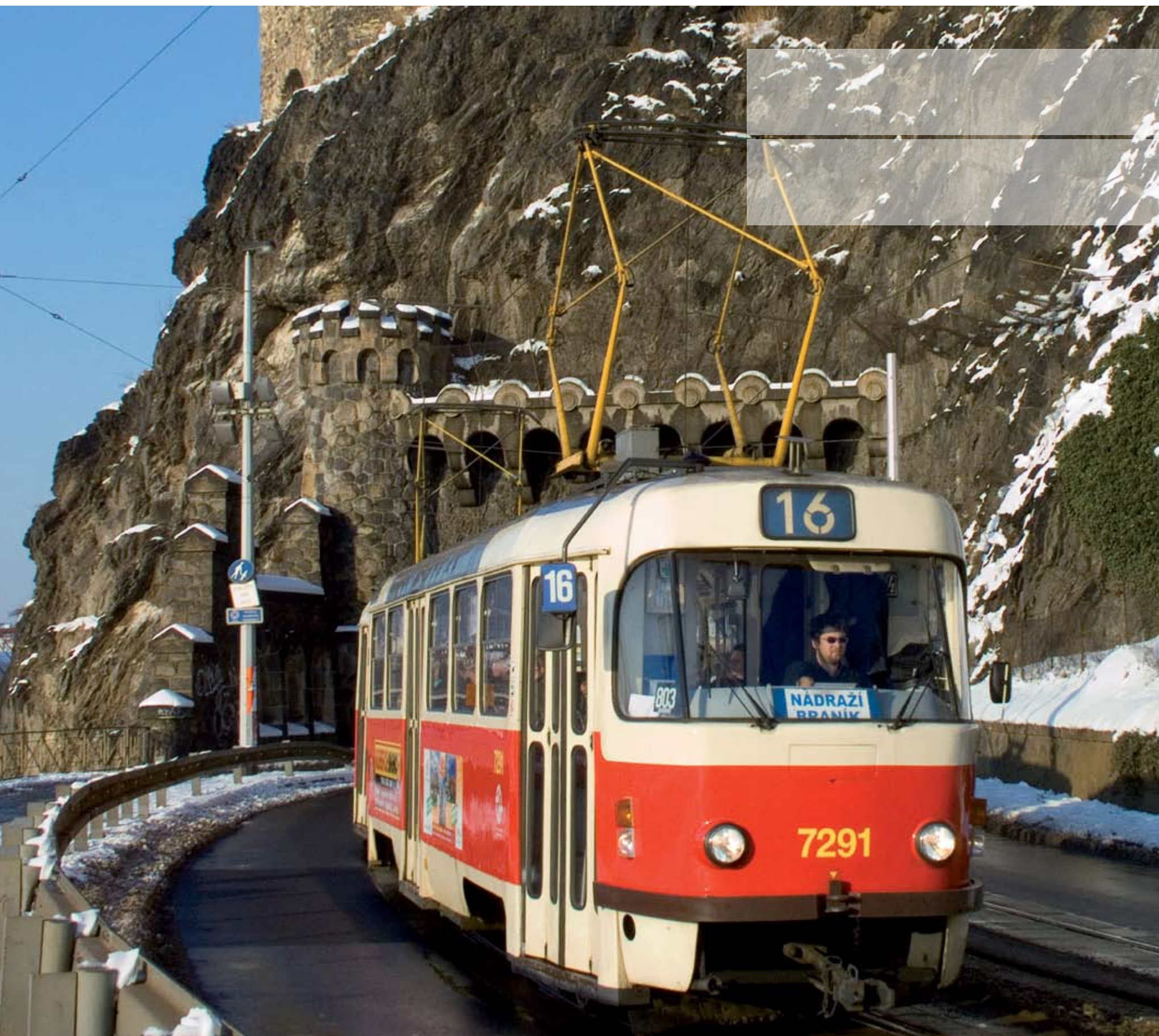
Ing. Ladislav Špitzer – Transformation Project Manager

**** from 10 October 2005; from 14 February until 10 October 2005 authorized to act on behalf of General Manager; until 13 February 2005 the position of General Manager was held by Ing. Milan Houfek

***** from 24 May 2005; until 23 May 2005 the position of Technical Manager was held by Ing. Tomáš Jílek

***** from 19 September 2005; from 1 July until 18 September 2005 Ing. Petr Blažek was charged with management of the Service Section







calendar of events

1 January	establishment of units and transformation of departments within the framework of the Transformation Project
23 February	Board of Directors Chairman and General Manager, Ing. Milan Houfek, died
1 March	comprehensive traffic survey of tram services
1 April	transformation of Commercial and Economic Section and merger of legal activities within the framework of the transformation of the company
1 April	maintenance of M1 metro trains was taken over by Siemens
27-29 April	Prague hosted the UITP Light Rail Committee meeting
18 May	opening of barrier-free access to "Smíchovské nádraží" metro station
1 July	establishment of the Service Section and implementation of additional organizational changes within the framework of the Transformation Project
1 September	establishment of a semi-circular bus line No. 128 – provision of services to Žvahov by midibuses
17-18 September	celebrations of the 130th anniversary of public transport system in Prague; Open House Day at Hostivař and parade of historic vehicles in the city center
23 September	special exercise called Autumn 2005 was held at "Náměstí Republiky" metro station focused on training of rescue services in the event of recovery from consequences of a terrorist attack
30 September	opening of the reconstructed tram track in Sokolovská Street
1 October	cancellation of Metro Division within the framework of the Transformation Project and implementation of additional organizational changes in the company
25 November	opening of barrier-free access to "Florenc" metro line C station
11 December	new low-floor tram 14T transferred from Pilsen to Prague
31 December	completion of basic organizational changes within the framework of the Transformation Project



transformation project

Preparations of the Transformation Project started already in 2002 and after being delayed as a result of August floods they started up in full in 2003. The preparatory stage culminated by the approval of the concept of transformation and commencement of the implementation stage effective from 15 March 2004. From this date on intense works were started in connection with the actual preparation and implementation of particular process and organizational changes. The first changes were implemented from 1 October 2004 but the most decisive part of changes was implemented throughout 2005.

1 October 2004 – cancellation of the Bus Division, establishment of Bus Operation Unit, Bus Fleet Management Unit and temporary Bus Economics Unit, merger of HR activities in the HR Section.

1 January 2005 – cancellation of the Tram Division, establishment of Tram Operation Unit, Tram Rolling Stock Management Unit and temporary Tram Economics and Tram Wayside Units, transformation of the Transport Section, establishment of integrated Information and Communication Technology Unit and In-house Transport Unit, integration of activities of property protection, health and safety at work and fire prevention into the Safety and Security Section.

1 April 2005 – transformation of the Commercial and Economic Section, integration of legal activities.

1 July – establishment of the Service Section incorporating the already existing Information and Communication Technology Unit and In-house Transport Unit and a the newly established Supply Service Unit, Immovable Property Management Unit and Coach Service Unit; commencement of transformation of the Metro Division by establishing

the Metro Rolling Stock Management Unit.

1 October 2005 – cancellation of the Metro Division, establishment of Metro Operation Unit and Metro Wayside Unit, transformation of the temporary Wayside Unit to Tram Wayside Unit, completion of transformation of the Transport Section, transfer of the Strategy and Management Department under the General Management Section, transfer of power system activities to the Technical Section and file services to the Service Section.

31 December 2005 – completion of basic organizational changes within the framework of the Transformation Project, completion of the transformation of the Technical Section and General Manager's Section, conversion of basic information system to support the company reflecting the new organizational and process arrangement.

In line with the schedule of the Transformation Project, basic organizational changes were completed by 31 December 2005. This process was completed by conversion of information systems of the company, very intensely prepared during 2005 and ensured within the substantial scope by 1 January 2006. Within the framework of organizational changes in 2005 a new structure of the company was set up along with basic principles of its operation, governing the implementation of particular further steps in the follow-up period to increase the efficiency of activities performed. As early as in 2005 an optimization stage of the Transformation Project was initiated with respect to particular units as a follow-up to the process of transformation. A key task for 2006 will be to continue this optimization stage.

For the entire company the year 2005 was a very

demanding period of many organizational changes resulting in substantial changes of well-established work practices and relationships particularly as regards the newly integrated departments. Naturally, this led to a number of complications and various problems that had to be solved on a continuous basis.

Thanks to a devoted approach of our staff at various corporate levels we managed to overcome this period without any substantial impacts on provision of the key activity of our company – i.e. provision of public transport services.

A key objective in 2006 will be to continue the optimization stage of the Transformation Project. Partial organizational changes will still be completed in some areas. At the same time, a great attention will be paid to harmonization of implemented changes to stabilize particular departments and processes within the company. Within the framework of the Transformation Project we will also continue to set up conditions and instruments for an efficient management of the company.





transport

Introduction

Prague public transport system covers a dense network including the city and its surroundings. The total length of lines operated by Prague Public Transit Co. Inc. amounts to over 2,500 kilometers, connecting the city centre with the most distant suburban areas. Each day, hundreds of metro trains, trams and buses are dispatched to carry passengers to work, entertainment and cultural events.

Transport system

No substantial changes were introduced in the metro system in Prague with three lines (A, B, C) of the total length 54 km with 53 stations. Throughout 2005 development of an additional metro line C extension from Ládví via Střížkov and Prosek to Letňany was in progress together with development of new metro line A station "Depo Hostivař" planned to be opened in the 2nd quarter of 2006.

The tram system covers 140.85 km of tracks with 26 day and 9 night tram lines of the total length 559.3 km. In tourist season – from 26 March until 17 November 2005 we operated also the nostalgic tram line available on Saturdays, Sundays and public holidays. No permanent changes were implemented in the tram system; in connection with metro system development tram services within the track segment Ládví – Sídliště Ďáblice were discontinued throughout 2005.

Major development projects associated with the tram system included an extensive reconstruction of the tram track in Sokolovská

Street between Balabenka and intersection with Na Břehu Street, repair works on Bubenské embankment, reconstruction of rail crossroads Zenklova – Klapkova – Trojská and replacement of a part of rail structures at both intersections at Palmovka.

In the bus system line No. 226 was cancelled with a concurrent reinforcement of bus lines No. 326 and 327. In March a new night bus line No. 501 was introduced with a concurrent rerouting of bus line No. 508 via Laurová and Radlická stops. After almost 20 years night bus service was thus reintroduced to the boundary line of Smíchov and Radlice. From 1 September 2005 a new line No. 128 was introduced from Hlubočepy to Žvahov. This bus service is provided by midibuses due to a limited accessibility of this part of the city. In November bus line No. 357 was cancelled and operation of bus lines No. 222, 223, 251, 269 and school bus lines No. 562 and 563 were handed over to Hotliner operator effective from December 2005. In mid-December 2005 bus line No. 358 was cancelled and the capacity of the line was transferred to bus lines No. 257 and 347.

At the end of 2005 Prague Public Transit Co. Inc. operated 142 urban day lines, 18 suburban lines, 17 school lines, 14 night urban lines and 2 lines designed for people with reduced mobility within the framework of Prague Integrated Transport system on the road network covering 810.6 km. The total length of all 193 lines amounted to 2,084.5 kilometers.

Supply of transport services

The overall supply of transport services provided by urban and suburban lines included in the Prague Integrated Transport system operated by Prague Public Transit Co. Inc., including special services designed for people with impaired mobility and orientation ability, amounted to 157,372,000 vehicle kilometers (v.km). The volume of transport services expressed in place kilometers (p.km) amounted to 19,296,005,000 p.km. Compared with 2004 the supply of transport services in v.km showed a 0.98% increase, while the volume of place kilometers showed an increase of 2.21%. Increased volume of transport services in 2005 was particularly a result of the opening of the metro extension from Nádraží Holešovice to Ládví from 26 June 2004.

PT priority

Gradually implemented priority measures have a positive impact on smooth and regular flow of traffic. As an integral part of the municipal transport policy such measures contribute to the quality of public transport and its competitive ability with private cars.

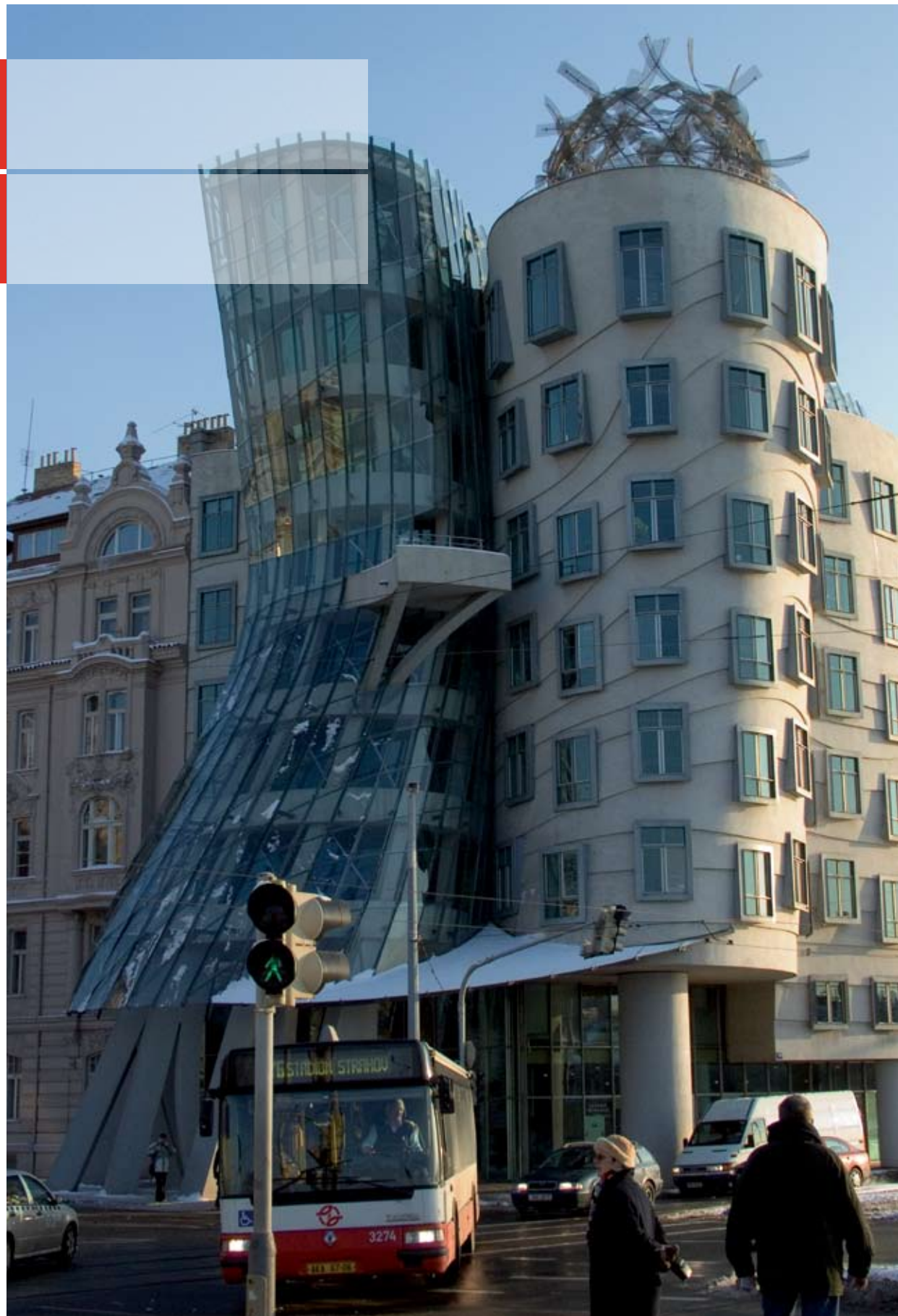
Last year, works on the "Public Transport Priority Project in Prague" went on in cooperation with municipal authorities, Transport Department of the Police of the Czech Republic, authorized project designer, Inženýring dopravních staveb Praha and other institutions.

In the tram system attention was focused on physical separation of tram tracks from the street level by means of physical barriers preventing

cars from accessing the wayside and appropriate modification of signal timing at crossroads equipped with traffic lights.

Concrete humps separating tracks from the street level were installed along more than 660 m at 2 locations in Prague. During 2005 signal timing priority was introduced to twelve intersections. In the bus system the focus of priority measures development was shifted to the so-called active bus priority at crossroads equipped with traffic lights. Reserved bus lanes were newly introduced to two segments of the system. The so-called active detection system gives priority to buses when passing through intersections and in 2005 additional 95 buses were equipped with mobile components for this priority. The total number of buses fitted with this system thus increased to 156. In addition to this, infra-red beacons to localize buses were installed to 10 intersections in Prague 8 and 9. By the end of 2005 the following priority measures were introduced in the tram and bus systems:

- 8.4 km of longitudinal separating barriers for tram priority;
- 6.4 km reserved bus lanes on streets to give priority to buses;
- 3.7 km reserved lanes on tram tracks to give priority to buses (+1.6 km exclusively for night bus lines);
- 98 traffic lights adapted for tram priority at intersections or pedestrian crossings;
- 7 traffic lights adapted for bus priority at intersections or pedestrian crossings.







Traffic surveys

Traffic surveys are an important focus of Prague Public Transport Co. Inc. as they are a basis for implementation of changes and modifications of public transport services in line with passenger demands.

A number of traffic surveys of various scope and nature were carried out in Prague in 2005 within the framework of regular public transport network monitoring. The most important surveys included a comprehensive survey of the tram system carried out in March, mapping passenger load levels of all tram lines operated during the day. In October, a regional traffic survey on 53 bus lines servicing the northern part of the city, including adjacent regions, was carried out. These surveys served as a basis for modification of some operating parameters of some services, particularly in morning and afternoon peaks.

Accident rate

In recent years, development of traffic accident rate has been quite stabilized without any substantial deviations. Compared to previous year, the annual number of traffic accidents in Prague increased by 69 accidents (2.7%) with an actual increase only with respect to the bus system; with respect to the metro system and the tram system the total number of accidents showed a decrease. However, positive results were not recorded in the number of traffic accidents caused by our employees, particularly drivers (increase by 115 traffic accidents (16.9%) compared to previous year). Again, this increase applies to the bus system

only; the metro system and the tram system showed a decrease.

The total number of accidents in Prague in general increased by 12.7%; compared with the increase of traffic accidents involving vehicles of Prague Public Transit Co. Inc. such increase is much more significant.

In 2005 15 people died as a result of accidents involving our corporate vehicles (by 7 persons less than in 2004): there were 6 fatalities on the metro system, 9 fatalities on the tram system and no fatality on the bus system.

Services designed for people with reduced mobility

In 2005 our company continued its long-term effort to make travel conditions easier and better for people with impaired mobility and orientation ability. At the end of 2005 29 out of total 53 metro stations were provided with easy access facilities. At the end of 2004 two parallel lifts were put into trial service at Muzeum station (line A). These lifts connect the station platform with the ground level next to the National Museum thus making the entire interchange station easily accessible.

In May, two inclined escalator platforms were put into trial service at Smíchovské nádraží station, gradually connecting the platform, gallery and ground level next to a tram loop. In November, a lift was put into service at Florenc station (line C) connecting the platform with the vestibule; together with a lift from the vestibule to the street level next to the Museum of the Capital City of Prague, put

into service in July 2005, easy access has been provided to the entire Florenc C station.

For easier orientation of the blind special receivers installed on all trams and buses are an important step towards easily accessible public transport. This system enables a remote-controlled activation of an external announcement informing the blind about the number and destination of the approaching vehicle; a possible intention of a blind passenger to get on is acoustically confirmed to the driver.

As a result of insufficient funds available no additional low-floor buses were acquired. As of 31 December 2005, the total number of low-floor buses was 374, all of them equipped with folding ramps at the central door to enable access for wheelchairs.

Our company also operates 4 low-floor midibuses E91 on bus line No. 291 connecting interchanges I. P. Pavlova and Karlovo náměstí with medical facilities and health centers within Karlov area. From September 2005 our company introduced midibus line No. 128 servicing the area of Hlubočepy. Low-floor buses serviced 102 regular routes; of which 12 were serviced exclusively by low-floor buses; with respect to other routes Citybuses were employed at selected links specifically identified in timetables.

Apart from guaranteed links on regular routes our company operated also 2 special bus lines primarily designed for people with impaired mobility. These routes are serviced by 4 modified Karosa buses equipped with hydraulic folding staircase forming an elevated platform.

Transport of people with reduced mobility on trams is solved by a contracted delivery of 20 new low-



floor, articulated trams. The first 2 cars are already in trial operation. At the same time, a gradual modernization of all 47 articulated trams KT8D5 has been provided by means of inserting a central low-floor section. First four refurbished trams have been already put into service.

Ticket inspection

With an amendment of Prague Integrated Transport Tariff effective from 1 July, widely advertised in a large media campaign, ticket inspectors were instructed to inform passengers about the relevant changes directly in the field.

Effective from 1 August 2005 penalty fares for fare evaders were increased. The basic amount of the penalty was increased from CZK 800.- to CZK 950.-, the penalty for violation of transport conditions was increased from CZK 200.- to CZK 400.- and the penalty for failure to pay for luggage was increased from CZK 50.- to CZK 200.-. Penalty fare of CZK 50.- imposed for cases when you forget to carry your monthly or other season ticket remained unchanged. In this connection remuneration of ticket inspectors was also increased.

We continued our successful cooperation with the Police of the Czech Republic and Municipal Police: more than 99 joint checks took place last year on the metro system, surface transport system and night services. We should mention 18 joint actions carried out in December focused within the framework of the Crime Prevention Project not only on fare evaders but also on criminal activities

in general. Our company continued also its successful cooperation with Brož & Sokol & Novák, Attorneys-at-Law, contracted for the purposes of enforcing obligations for non-compliance with transport conditions. This cooperation contributed to increased revenues from penalty fares. In the field of legislation our effort to enforce the right of operators to inspect the Citizens' Register Information System for the purposes of filing actions failed. This problem causes unnecessary delays in identification of personal data of passengers who provide insufficient IDs during ticket inspection.

Number of penalty fares	Revenue from penalty fares
249,420	CZK 96,962,975.-
i.e. +2.4 % compared to 2004	+10.8 % compared to 2004

Marketing

Within the framework of organizational changes Marketing Department was transferred from the General Manager's Section to the Transport Section as of 1 October 2005.

A number of traditional and new campaigns and presentations of Prague Public Transit Co. Inc. were organized in 2005. The year 2005 could be labeled as the year of the 130th anniversary of Prague public transport system. Accordingly, it was focused on the history of public transport. At the beginning of June the second year of Prague Museum Night took place, organized by the National Museum in cooperation with Prague Public Transit Co. Inc. and the Association of Museums and Galleries of the Czech Republic. This event attracted a great

public interest. Traditional Open House Day was organized on the premises of Hostivař depot within the framework of the Mobility Week and within the framework of celebrations of the 130th anniversary of public transport on Saturday, 17 September 2005. A well-established campaign promoting timely purchase of season tickets for 2006 took place at the end of the year. This successful campaign contributed to elimination of long queues in front of ticket offices at the beginning of January which were subject to criticism in the past. Additional positive aspect of the campaign is an increased number of annual season tickets sales which can be compared with numbers achieved in mid-1990s. Each client who bought the annual season coupon by 17 December obtained a small gift and the first 1 000 clients obtained an additional gift at our Travel Information Offices.

At the end of the year we joined the cooperation with the Association of Scouts "Junák" in an event called the "Bethlehem Light". Christmas concerts at metro stations and Santa Claus afternoon for children at Střešovice depot have a fixed place in the calendar of events organized by our company.

Passenger information

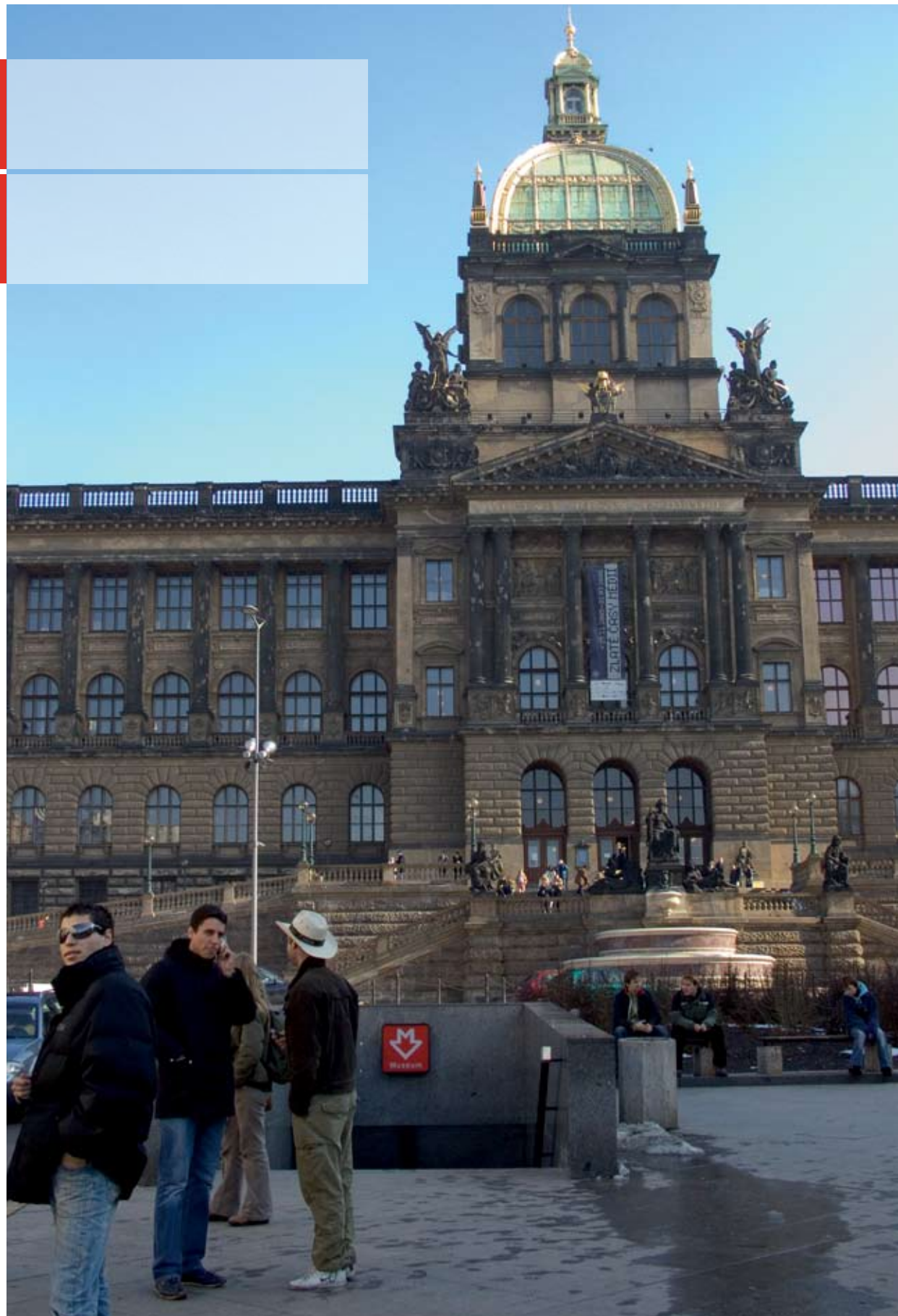
Transport in the capital city of Prague can be compared to a living organism – like any other living organism it constantly develops and changes. Let us imagine such development as introduction of new vehicles, opening of new lines for our clients and introduction of new systems (e.g. the ticketing system). The changes are necessitated particularly by repairs of the operated network. Such changes can be divided into the planned ones and extraordinary ones. Passengers must be informed about all situations well in advance.

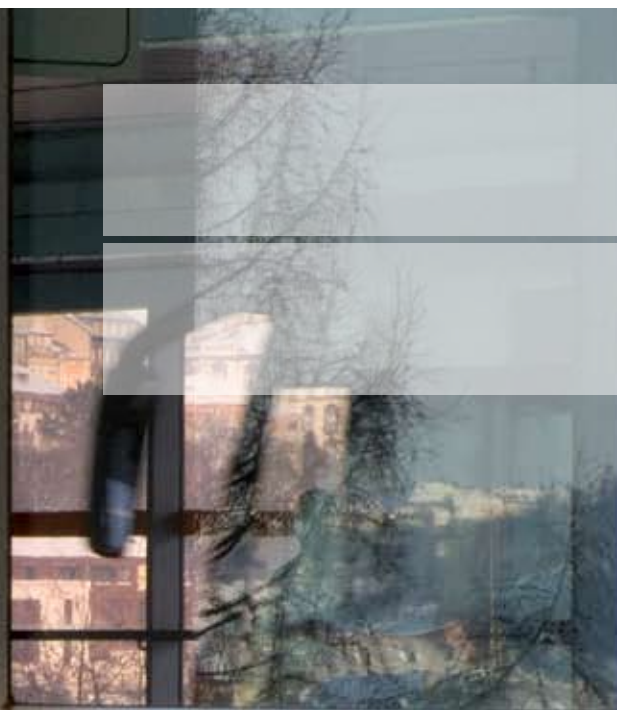
To inform our clients we use a number of information materials. The basic information materials include the following: Guide to Public Transport (brochure), leaflets Through Prague Quickly and Easily with Us, Tariff, Information Offices, Network Map and others. These types of information materials provide general information about particular PT issues. Leaflets are published to inform passengers about particular service disruptions or on the occasion of more extensive disruptions having an impact on the entire system; posters are published to illustrate the actual service conditions.

“Prague Integrated Transport Atlas” is a very popular publication with a unique method of plotting the public transport system.

The book called “Prague Integrated Transport Timetables”, supported by a CD, was published at the end of 2005 on the occasion of national changes of timetables.

About 1,143,000 copies of various information materials of Prague Public Transit Co. Inc. were published in 2005.







technology

Introduction

Improvements of public transport services would be unthinkable without a continuous application and development of the latest technologies. This never-ending process puts greater demands not only on equipment of vehicles but also on repair and maintenance facilities, improvement of transport infrastructure, safety of transport and environmentally friendly operation.

Noise and exhalations generated by surface transport, and that both public transport and private cars, are the most troublesome for local residents. To be able to gain a competitive advantage over private cars in this respect we have to pay a greater attention to removal of bottlenecks. In line with this strategy we manage to improve the current situation in the city through slow, but efficient steps. A great attention has been paid to repairs and particularly to modernization of rail vehicles. This will result not only in reduced noise levels but also power consumption savings.

New metro C extension from Nádraží Holešovice to Ládví in the northern part of the city was the most popular investment project. All tunnels were tunneled and construction works went on according to schedule. At the beginning construction works caused great problems in provision of surface transport services in peak periods in the area of Prosek. As a result, measures were taken to exclude and divert car traffic from Vysočanská Street. In cooperation of municipal authorities with various institutions flood protection measures in the city center and lower situated parts of the city, including some metro segments, were completed and tested. A preventive exercise was organized and met with a positive response. This exercise

showed preparedness of the city of Prague to face any possible floods in the future and regular exercises were agreed to take place every five years.

Fleet and rolling stock

At the end 2005 metro rolling stock consisted of 81–71 cars, refurbished 81–71M cars, reconstructed by Skoda Transportation and new M1 cars – total 727 cars. In September 2005 the 45th M1 train of the third series was taken over from the manufacturer. By the end of 2005 all 45 M1 trains operated in regular passenger service on the line C. With regard to a sufficient number of M1 trains refurbished 81–71M trains with PA 135 automatic train control were put out of operation on the line C as early in June 2005. Deliveries of modernized 81–71M trains from Skoda Transportation went on in 2005 and the total number of these trains included in the Metro Rolling Stock Management Unit amounted to 43 trains. Out of this number 25 trains are tested in passenger service on line A with a new automatic train control SOP-2P thus actually stabilizing the situation on this line. Number of trains available on the line B was practically the same as required based on train traffic flow sheet. As of 31 December 2005 246 vehicles were put out of service. As of 31 December 2005 the Bus Fleet Management Unit registered 1,223 buses, of which 568 standard buses, 322 standard low-floor buses, 4 low-floor midibuses, 276 articulated and 53 articulated low-floor buses. 1 midibus acquired in 2004 was put into service in 2005.

15 articulated buses were reconstructed without frame replacement. 71 buses were put aside for disposal, of which 58 standard and 13 articulated. 186 refurbished buses (which undergone a general overhaul with frame replacement) were in operation as of 31 December 2005.

512 buses, of which 394 standard and 118 articulated exceeded their lifespan. Percentage of repairs amounted to 8.32 %, or 7.16 % after deduction of buses withdrawn due to a complaint procedure. Faultless operation between technical failures amounted to 16,060 km. As of 31 December 2005 tram rolling stock consisted of 954 cars (926 in operation), of which 40 double-articulated cars of KT8D5 type, 151 T6A5 and 4 low-floor RT6N1 cars. Two new low-floor 14T trams were acquired at the end of 2005. The remaining cars are various modifications of T3 cars. T3R.P cars have been acquired from 2000 through modernization of T3 cars. 50 tram cars were reconstructed in 2005. At the end of last year 25 T3 cars and 3 KT8D5 cars were withdrawn from operation for the purposes of modernization. The number of trams increased due to modernization of a sightseeing tram and acquisition of two new trams 14T.

The mean age of tram rolling stock is 15.42 years. 186 T3 cars have exceeded their technical lifespan – these cars account for 20.09% of the total number of trams but in spite of this fact they are still operated. Percentage of repairs in 2005 was 6.93 %.



Investment projects

Throughout 2005 CZK 7.986 bill. were invested by Prague Public Transit Co. Inc., of which 2.929 bill. drawn from own resources, CZK 420 mil. from the state budget for development of additional metro extension IV.C (Ládví – Letňany) and CZK 4,636,641,300 drawn from the municipal subsidy. Within the framework of this subsidy the remaining part of the loan granted by the European Investment Bank in the amount of CZK 1.628 bill. was drawn for development of additional metro extension IV.C (Ládví – Letňany).

A substantial part of funds was used for renewal and modernization of fleet and rolling stock. CZK 555 mil. were drawn for acquisition of new M1 metro trains and CZK 378 mil. were drawn for reconstruction of T3 and KT8D5 trams and buses. Installment amounting to CZK 285 mil. was paid up. This amount was used in 2004 for acquisition of 20 new M1 metro cars.

There were no new acquisitions with respect to trams and buses except for acquisition of one Citelis bus and advances paid in connection with acquisition of two 14T trams to be delivered in 2006.

The most important investment projects implemented in 2005 included the continued development of the second stage of metro extension IV.C (Ládví – Letňany), continued development of the new metro A station at Hostivař Depot and completion of flood protection barriers at selected metro stations.

A considerable part of funds was also invested (CZK 298 mil.) in reconstructions of tram tracks. The most difficult and costly one was the reconstruction of tram track in Sokolovská Street with tram services reintroduced on 30 September 2005.

This reconstruction was co-funded by means of structural funds of the European Union.

Power system

In 2005 a newly conceived internal structure of the entire company was gradually implemented. All operating units and their successors – divisions were gradually cancelled. This resulted also in a changed concept of the entire power system management. Until 2004 power supplies were provided for each operating unit (division) by its own power unit. As a result, structure of particular units was gradually modified in line with organizational changes. A new unit – Power System – was established as of 1 October 2005 to ensure purchase of all types of power for the entire company.

Heat to Kačerov, Hostivař and Pankrác depot facilities is supplied by České teplo s. r. o. (Czech Heat I.L.c.), providing also power supply services. Apart from this, the abovementioned company provides also maintenance of heat network in these facilities.

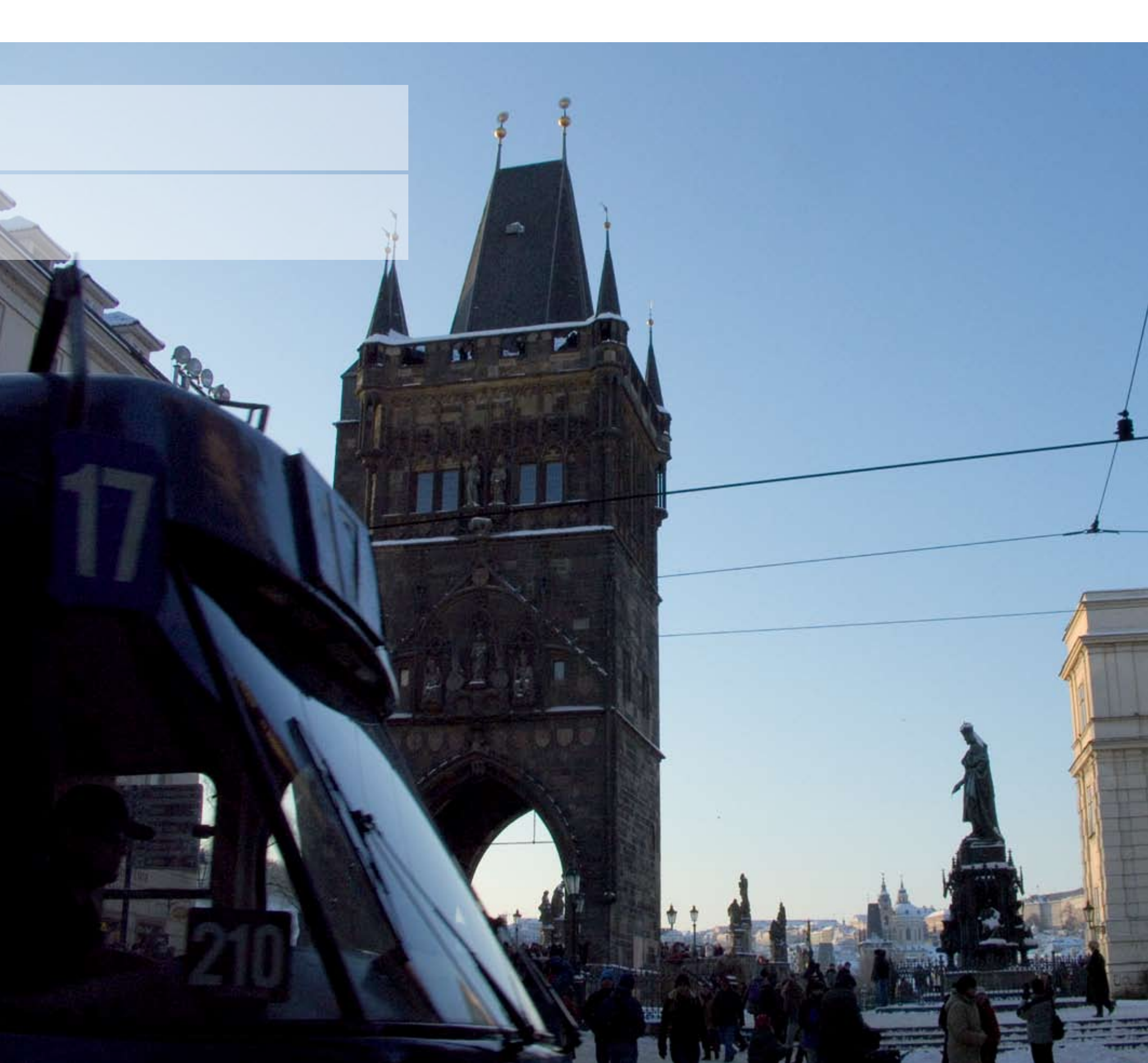
In 2005 power audit of all premises, facilities and electric traction means of transport was completed. The power supply network was extended in connection with the opening of additional metro IV.C extension. Currently, the metro system is an interconnected system supplied by 13 substations 110/22 kV of Pražská energetika, a. s. /Prague Power-Producing Plant Co. Inc./ contracted as a single bulk consumption. In 2005 power consumption amounted to 204.8 mil. MWh (i.e. CZK

349 mil.), of which 49.8 % falling to traction power. Average price was CZK 1.70 /kWh.

The tram system is supplied by 40 converting substations with installed capacity of 196,850 kVA. Consumption of traction power for the tram system amounted to 155 mil. KWh, i.e. financial costs of approx. CZK 298 mil. Average price was CZK 1.92 /kWh. These costs were positively influenced by a gradual introduction of refurbished trams with recuperation. From 2001 specific energy consumption (kWh per one vehicle km) has dropped by almost 10% which represents annual savings of CZK 30 mil. given the current prices and transport performance of 2005.

In 2005 Pražská energetika, a. s. /Prague Power-Producing Plant Co. Inc./ as the sole power distributor for the city of Prague shifted to a new system of electric power consumption metering. As a result of this, our central software was adapted to collect data through remote metering. Data collection and assessment enables to effectively plan consumption and minimize the costs of consumption.

Reconstruction of traction converting substations Červený vrch and Hřebenka were started in 2005. Out-dated technologies are replaced and/or the number of rectifying units is extended (Hřebenka) with the aim to ensure a higher reliability and safety of operation.



PRAHA

TERMINAL SEVER 1





economics

Introduction

Last year, financial situation of the company was more demanding than in previous years. We managed to maintain a positive Cash Flow by means of a consistent coordination of all expenses and expected revenues. It was the last year when the remaining part of expenses and revenues in connection with recovery from floods of August 2002 was accounted for. Fares in Prague Integrated Transport systems were changed effective from 1 July 2005 with a significant increase particularly with respect to single ticket prices. Compared to 2004 revenues from fares increased by more than CZK 361 mil.

Financial situation in 2005

The volume of financial funds at the beginning and at the end of 2005 was approximately equal. Throughout the year, however, there were significant fluctuations.

In January CZK 500 mil. were spent on investment projects mostly reflected in the accounting for 2004. On the other hand, a significant revenue was generated from a refund of excessive VAT deductions. In the 3rd quarter expenses slightly dropped but the amount of funds drawn increased at the end of the year in connection with the end of the accounting period. High amounts were spent on investments, payments of interest on the loan for acquisition of 20 metro trains and considerable number of operational invoices. As of 31 December 2005 the loan granted for metro trains amounted to CZK 4.062 bill.

Generally, it can be stated that the financial situation of Prague Public Transit Co. Inc. was more complicated than in previous years. As a result, development of the

financial situation throughout the year was at the focus of attention. Thanks to a consistent coordination of all expenses and expected revenues we managed to maintain the funds at a level not requiring to draw any funds from the current account.

Tariff and revenues from fares

In 2005 net revenues, including penalty fares, amounted to CZK 3.341 bill.; this is by 12.5 % higher compared with 2004.

With respect to single tickets this increase is mainly a result of increased prices introduced in July 2005; with respect to season tickets this increase is also a result of the fact that more passengers have shifted from single tickets to season tickets. In recent years the total volume of revenues has been constantly growing. Season tickets represent a significant part of fare revenues (almost 55%). The so-called "flexible tickets", i.e. tickets with optional commencement of validity period, have become increasingly popular among passengers. These types of tickets account for more than one third of monthly and quarterly season tickets sold. Although the increase in fares had only a minimum impact on the price of season tickets and single tickets in outer zones (price increases applied only to the category of special discounted student single tickets) revenues from these types of tickets have been constantly growing (compared with 2004 - increase by 14%). The sales of these types of tickets, however, account for only 4.2% of total net revenues from Prague Integrated Transport system.





hr policy

Introduction

Human resources activities in our company consist particularly of managerial activities focused on all aspects of an individual in the working process. With regard to the fact that employees are the most decisive factor affecting prosperity and competitive ability of a company this area is considered to be one of the most important areas of general management of the company.

A great success of last year, both from the perspective of the HR Section and from the general corporate perspective was our ability to maintain social peace. As early as at the end of 2004 we managed to sign the first unified collective agreement providing for a single staff remuneration system and social scheme. Throughout 2005 we managed to fulfill obligations resulting from the collective agreement for 2005 while keeping within the scope of financial funds given by the financial strategic plan of the company. As a result of this fact the management of the company decided at the end of 2005 to pay extraordinary bonuses to all employees to reward their long-term effort and work for the company on the occasion of the 130th anniversary of public transport system in Prague. At the end of the year some employees were rewarded for their work at a special meeting with the company management. This method of assessing employees represents a new approach of rewarding employees for their extraordinary performance, excellent fulfillment of tasks, initiative and work behavior. This well-established HR strategy resulted in conclusion of the collective agreement for 2006 by the end of 2005. This means that a close cooperation and communication between the management and trade union representatives brings a number of benefits to employees available to them as early as from the beginning of 2006.

HR development

As of 31 December 2005 Prague Public Transit Co. Inc. employed 12,653 employees, of which 10,714 men and 1,939 women. Staff numbers and structure are based on the needs and job opportunities within our company. Workers represent the largest staff group (36 %), followed by PT drivers (33 %) and technical and economic staff (25 %). Recently, in spite of a growing number of PT drivers the development of staff numbers shows a decreasing trend.

There were no substantial changes in the structure of employees in terms of education and age last year. There is a significant prevalence of middle-aged generation with secondary education (GCE certificate + without GCE certificate, i.e. graduates of apprenticeship training centers) which corresponds to our corporate job structure.

HR strategy

As a follow-up to strategic plans and objectives of the company the concept of HR strategy was gradually developed in 2005 with the aim to set up and define possible future objectives in the field of human resources management. HR strategy has an impact on all activities associated with human resources. Methodological, conceptual and analytical activities are focused on the following issues:

- principles for human resources management and identification of needs;
- to increase effectiveness and performance of all units on a continuous basis;
- development of staff assessment system and staff motivation to fulfill tasks and increase productivity of labor;

- education and career development of staff at all job positions.

In line with the intentions of the Transformation Project works in connection with the Draft Concept of Staff Assessment and Motivation System of Prague Public Transit Co. Inc. were started in 2005. Method of management by objectives and assessment of individual and labor performance of staff was proposed as the basic methodology of the assessment and motivation system. Implementation of the concept of a periodic assessment of labor performance of each employee was proposed to be carried out in stages. During the pilot stage, from 1 January 2006, assessment of managerial staff in relation to remuneration policy is to be implemented. Assessment of other employees will be implemented in subsequent stages, including a new system of staff benefits, and staff assessment will be linked with education and career development plan updates. To increase efficiency and performance of HR Section activities a proposal for Staff Recruitment and Staffing Methodology has been prepared. This draft deals also with preferential staffing of free job positions by in-house staff. Prague Public Transit Co. Inc. is aware of the positive aspects of internal resources, i.e. faster induction training, knowledge of the working environment, etc. HR Strategy Department identifies problems in the field of human resources on a continuous basis and suggests possible solutions. A good knowledge of human resources can be helpful in identification of behavior, abilities, knowledge and skills of people. Knowledge of the real potential will assist in achieving a maximum efficiency of the management of processes, i.e. increased performance, better



outline of activities, working load of individuals and teams and development of cooperation and communication with other departments within the company.

Remuneration policy

Remuneration policy was implemented in line with a single collective agreement, including unified regulations of remuneration of all employees of the company. In-house standards – Manual Works Catalogue and the Catalogue of Technical and Economic Positions by Type of Activity provided a real basis for unified conditions for job specifications and remuneration policy. Average monthly wage of employees of Prague Public Transit Co. Inc. amounted to CZK 22,510.-, the total amount of wage funds amounted to CZK 3,455,053,000.-. Particular attention was paid to the scope of over-time work and reasons for over-time work by particular workplaces. 268,963 hours of over-time work in 2005 is by 57,163 hours lower than in 2004 which is a positive achievement.

Training and education

The main aim in the field of education is to maintain and develop qualified staff at all positions. Our employees are provided with conditions and support to be able to develop their professional skills, knowledge and talents. A systemic continuous professional education

is a basis of targeted conceptual process of education and reinforces the existing education system to achieve strategic aims of our company. Our employees can take part in both in-house and external training and courses.

From April 2005 our company has organized a comprehensive training scheme designed for top and middle-management staff. The aim of this scheme is to improve managerial knowledge and skills, particularly in the field of staff management. Quality staff management means to efficiently manage communication with staff at subordinate position, be able to organize one's own work as well as the work of groups managed - i.e. teams, understand specific relations established in working teams, properly coordinate such relations, manage inter-personal conflicts, assess people and motivate individual and professional potential of team members to the benefit of the company. Two major projects were drawn up in 2005. The first one involved a project aimed at obtaining subsidy from structural funds of the European Union, called Middle-Management Managers and Increasing the Knowledge of Staff of Prague Public Transit Co. Inc. in the Field of IT". The second scheme was initiated based on a call of the Transport Ministry of the Czech Republic to provide training for examiners.

Social policy

We believe that to a substantial extent the success and competitive ability of the company depends on our employees and their abilities, working habits, satisfaction and relation to the employer.

Accordingly, particular attention has thus to be paid to these issues. Our company is aware of high staff performance required by the company and as a result of this we offer an above standard package of staff benefits in line with the collective agreement. This offer supports active leisure time activities, contributes to a higher stabilization of the staff, their loyalty and motivation, and has an impact on the overall climate at the workplace. All employees use benefits provided based on the collective agreement.

Internal communication

Within the framework of the Transformation Project a decision was made in the 1st half of 2005 to include internal communication in the HR Section.

safety and security

Introduction

In 2005 the Safety and Security Section operated in the new organizational structure. In line with the Transformation Project activities of the Safety and Security Section are based on squad activities affecting all corporate units and departments, generating no value added but having a significant impact on the costs of other activities of the company. It has a significant impact outside Prague Public Transit Co. Inc., particularly in the field of coordination of activities of crisis management and civic defense, cooperation with Crisis Management Department of Prague City Hall, Health and Safety at Work Authority, Fire Service of the City of Prague, Municipal Police of the Czech Republic and the Police of the Czech Republic. Cooperation with the UITP Safety and Security Commission is also very important. The following processes have been defined for the Safety and Security Section by the process of transformation:

- Crisis management;
- Fire prevention;
- Health and safety at work;
- Property security and protection;
- Confidential data and personal data protection.

Crisis management

The aim of crisis management is to minimize impacts of crisis situations on human lives, health, property and environment. In 2005 Crisis Preparedness Plan was drawn up based on the requirement of Prague City Hall; Flood Protection Plan was updated on a continuous basis and in-house standards associated with this issue were published or amended.

Fire prevention

The aim of fire prevention is to prevent fire and minimize impacts on human lives, health and property. This field includes fire prevention, ensuring resources to extinguish fire and fire extinguishing processes, or possible assistance in recovery from other types of emergencies.

Health and safety at work

The aim of health and safety at work is to protect human lives and health against negative impacts of working activities. In 2005 we started the process of unification of in-house legislation, training, health and safety at work checks, work accidents agenda, internet websites concerning the issue of health and safety at work and a single philosophy of safety within Prague Public Transit Co. Inc.

Property security and protection

The field of property protection involves drawing up the concept of security and management of contracts in relation to security agencies providing security guard services to corporate facilities within the framework of property protection as well as during emergency safety and security measures, protection of confidential data and personal data from loss, disclosure or unauthorized use. The above mentioned activities were fully centralized within one unit – department which was in line with a key precondition for implementation of unified organization, management and security.





services

Introduction

The Service Section as the youngest of all corporate sections was established on 1 July 2005. It defined basic rules for management of a number of cross-sectional activities of the company, and that through particular units.

Information and communication technology

The year 2005 put great demands on the Information and Communication Technology Unit in terms of modification of the information system based on requirements of the Transformation Project. There are almost 4,000 PCs in Prague Public Transit Co. Inc. Transformation of former 4 IT units (of the former divisions and general management) into one functional unit was successfully implemented. This transformation involved changes of SAP/R3 system, Elanor Global wage system and all operational systems. Technological conditions were created to manage extensive infrastructure, such as integration of domain model, information systems security solutions, unification of work stations and administration of data networks and equipment of newly established workplaces with technology. Functionalities of existing application software were added to the newly established units and departments. The new organization structure of Prague Public Transit Co. Inc. was introduced as of 1 January 2006. Fulfillment of this task required a close cooperation of the unit employees with transformation team members, other departments as well as with suppliers of particular information systems.

Immovable property management

Within the framework of the Immovable Property Management Unit physical takeovers of operational facilities were successfully completed; SAP REM module for single registration of immovables, accounting of additional costs and calculation of immovable property tax and rentals was implemented. 697 long-term leases, 5,477 lease units and 49 premises were loaded in the REM system. Facilities Technical Management Department was transformed into the Environmental Department. It was for the first time in the history of the company when we managed to establish a department consisting of a team of experts dealing with the issues of environmental protection within the entire company. The year 2005 was a year of preparations for drawing up waste disposal management plans; subject to an approval of Prague City Hall this document will represent a basic conceptual material for future waste disposal strategy of Prague Public Transit Co. Inc. Priority in the field of waste disposal management has been and will be to reduce production of waste within the company, among others by selecting and purchasing goods in recyclable and returnable packaging. The aim is to gradually implement BAT technologies (Best Available Techniques). In the field of sewage water management this involves using sewerage plants to pre-clean all sewage waters in particular facilities thus freeing the company from an obligation to include such waters in the waste disposal register and contributing to substantial costs savings.



Historic vehicles

Prague Public Transport Museum, located at Střešovice depot, is a frequent destination of local and foreign visitors who have a great opportunity to see a unique collection of exhibits and public transport vehicles.

In 2005 the collection of old public transport vehicles was opened from 26 March until 17 November. The Museum was visited by almost 11 thousands visitors during ordinary visiting hours and by additional 3 thousands visitors on working days. The year 2005 was also very important in terms of preparations and successful course of celebrations of the 130th anniversary of public transport system which were ended by a parade of historic vehicles on 18 September. This parade of museum vehicles was the longest ever not only in the history of the city of Prague but also in Europe. Last year attention was paid to repairs and reconstructions of existing exhibits – trolleybus Tatra, Skoda RO bus – and reconstruction of Skoda 506 bus was started. Installation of a display case illustrating development of ticketing and information systems also for the blind was completed. 16 thousand visitors enjoyed a trip by nostalgic tram no. 91 running during the museum season. Substantial revenues resulted also from 1,217 contractual trips by this tram.

Files service

Establishment of the Files Service Department contributed to centralization and unification of all processes associated with flow of documents – starting from reception through classification,

registration and circulation, sending off, filing, shredding to possible archiving. Effective from 1 October 2005 the Archive of Prague Public Transit Co. Inc. was newly integrated into this department which resulted in a logical organizational unification of similar administrative activities dealing with the file agenda of the entire company.

In 2005 the archive of Prague Public Transit Co. Inc. closely cooperated with the Marketing Department and Prague Public Transport Museum in connection with promotion campaigns associated with the 130th anniversary of Prague public transport system and organization of some in-house anniversaries, e.g. 50 years of Vršovice garage, etc.

In 2005 services of the archive were used by 29 researchers, particularly secondary school and university students looking for materials required for their seminar papers or dissertations. In this context, it should be noted that interest in the history of Prague metro system has increased in recent years. The archive answered also a number of professional phone inquiries, concerning also the history of transport in other local as well as foreign cities.

Supply services

Instruments for a centralized coordination of activities in the field of purchasing materials and spare parts and distribution to customers were set up in the Supply Services Unit. Activities in the field of obligations resulting from business relations were unified on a continuous basis. In 2005 the Unit

complied with Act No. 435/2004 Coll., Employment Act, and ensured the so-called substitute fulfillment for handicapped persons amounting to CZK 64,970,625. The Unit operates also clothing storehouse which allocates uniforms to employees based on a point system. 7,736 employees were serviced in 2005 using this system (the total value of clothes amounted to CZK 46,262,027).

In-house transport

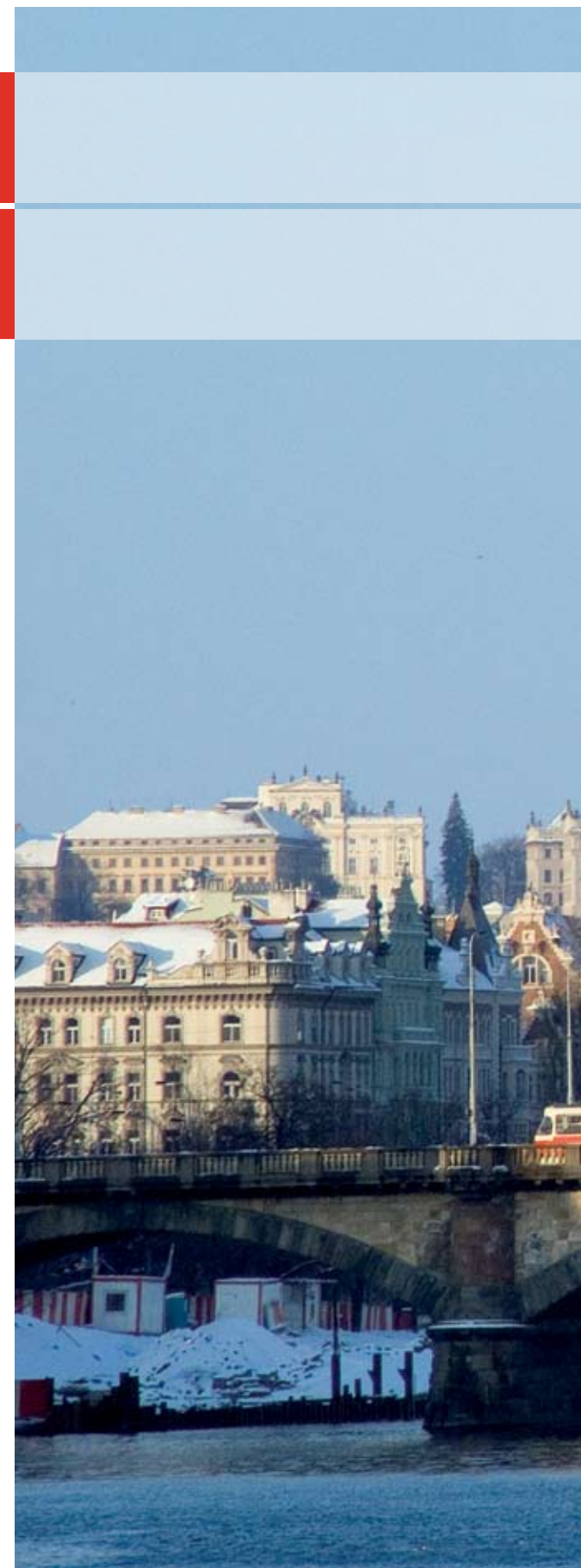
Through the In-house Transport Department the Service Section provides freight services, transport services by private cars and delivery cars to other departments as well as to external clients. The department operates approx. 510 transport means, such as cars, trailers, semi-trailers, building machines and mechanisms and cranes. In 2005 the total mileage amounted to 3,110,600 km (private cars), 1,884,669 km (lorries) and 819,614 km (special vehicles).

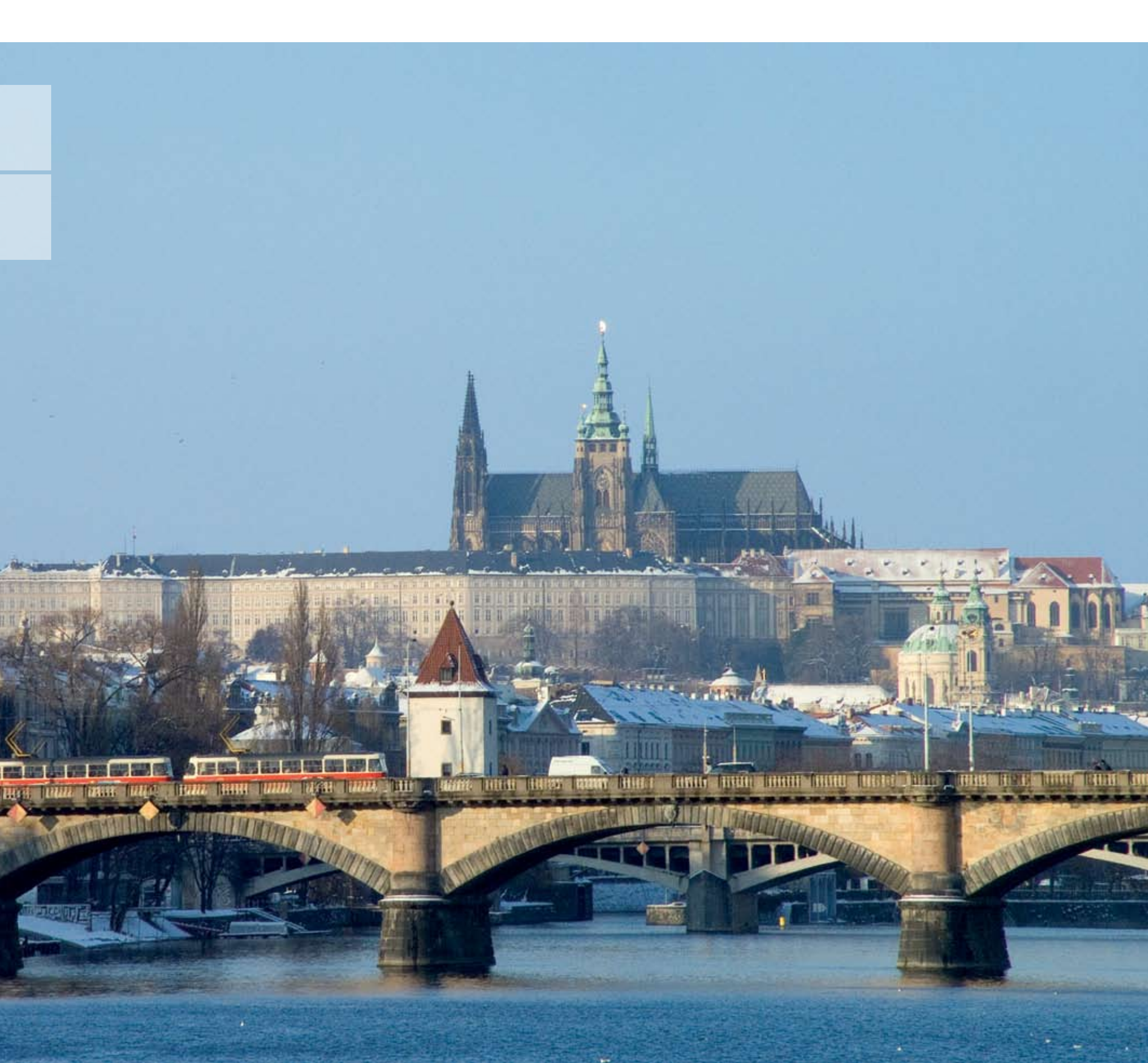


service quality

8 years and one year of intense preparations are sufficient to assess the benefits of the programme the aim of which, from the very beginning of its existence, has been to improve the quality of services provided to passengers on the metro, tram and bus system. As a result of social changes passengers are becoming increasingly demanding. The Service Quality Programme is based on principles of the new sectoral standard CSN EN 13 816 “Public Passenger Transport – Service Quality Definition and Measurement“. The main aim of this standard is to support public transport quality improvements and it focuses on customer needs and expectations. The standard is based on the concept of quality cycle which represents application management framework with customer as its core element. The starting point of the cycle is identification of a desired quality. Subsequently, operators have to be able to reflect this customer perspective in definition of the quality actually provided. The main quality management instrument thus consists in regular measurements and assessments of quality provided. In practice, ISO 9001 and EN 13816 standards are complementary. The first one focuses on maintenance and a number of other in-house processes to support sustainability of service quality and the second one guarantees that expectations of customers are taken into account. Results of regular measurements of four basic standards - “Punctuality of Operation“, “Passenger Information“, “Customer Welcome” and “Uniform Discipline” – confirmed a long-term stabilization of service at desired quality levels set on a continuous basis by updated General Manager’s Directive.

Two standards – “Operability of Ticket Vending Machines” and “Operability of Barrier-free Access to Metro Stations” – introduced a little later - are very positive. Apart from a higher operability they also brought a parallel effect of an increased accessibility as a result of pressure on better distribution of vending machines resulting in immediate increases in revenues; the latter standard resulted in strengthening the trust of customers with impaired mobility in our services. Further development of the Programme is closely associated with the necessity to understand the quality management as an integral part of real customer-focused approach. This requires creating conditions to involve staff and reward those who are involved. Words are not enough to prove the corporate management support; particular steps must be taken to release human potential. Greater liberalization of the market requires each operator to be able to operate on a competitive market. This pressure is confirmed by interest in information about the Service Quality Programme shown by operators both through a regular exchange of experience within the framework of the CYQUAL quality club association of public transport undertakings from Paris, Berlin, Brussels, Madrid and Canadian Laval and through invitations for participation in the club’s presentations. In 2005, experience of Prague Public Transit Co. Inc. met with an interest of executives of Mosgortrans, Moscow public transport operator, members of the Canadian Public Transport Association on the conference in Montreal and also by participants of the UITP Regional Conference in Poznan.







international relations

Participation of representatives of Prague Public Transit Co. Inc., headed by the Supervisory Board chairman, Radovan Šteiner, and Ing. Tomáš Jílek, acting on behalf of General Manager, in the 56th UITP (International Public Transport Association) World Congress held in Rome at the beginning of June was a key event in international relations in 2005. UITP Committees and Commissions still remain an inspiring source of information about development of short-distance public passenger transport sector.

In the database of urban mobility which contains 120 standardized indicators for each of the fifty cities monitored all over the world, prepared by UITP, the city of Prague was assessed very positively in terms of its public transport system development. Based on a special Euro barometer organized by the European Commission the Czech Republic ranked second among the twenty five EU Member States in terms of the level of use of public transport service offer.

An international conference dealing with the topic of Public Transport Undertakings, Urban System and Sustainable Mobility, co-organized by Prague Public Transit Co. Inc. and the Department of Economics and Management of the Faculty of Transportation Sciences of the Czech Technical University in Prague, held in Prague on 10 May 2005 in the presence of a number of foreign experts, met with a very positive professional response.

Conference entitled "Prague – Paris: The Future of Public Transport" was held on 23 May 2005 on the premises of the French Embassy in Prague. Public transport undertakings of both cities presented their existing systems and plans for the future.

Prof. John Pucher from Urban Planning Department of Rutgers University, New Jersey, USA, wrote on the occasion of his regular visit to Prague and in connection with the planned increase in public transport fares an article called "Public Transport Funding in Prague", ranking the local public transport system among the best global systems which were subject of his studies.

A regional conference and training called "Public Transport Organization, Funding and Management", organized by UITP in cooperation with the Polish Public Transport Association for experts from Central and Eastern Europe in Poznan on 7-9 December 2005, was an important event. The conference offered a lot of inspiring experience and examples of public transport solutions in European cities for representatives of Prague Public Transport Co. Inc. and other representatives of Bohemian and Moravian public transport operators.



future priorities

The year 2006 will bring completion of the Transformation Project which has contributed to a substantial organizational transformation of Prague Public Transit Co. Inc. into arrangement of processes, divided into basic, supporting and service processes. Final effort will be focused on completion, verification and finalization of implemented changes and on preparation of instruments to support process management. Naturally, achievement of key objectives of the transformation in the years to come, i.e. an increased efficiency of performance and maintaining the competitive ability of the company on the public transport market, will be associated with a continuous optimization of particular departments in the field of reduction of job positions and other costs.

One of the main priorities for the years to come is to further develop metro and tram systems, ensuring an increased share of segregated public transport routes which are a prerequisite for regular, fast and safe services while bringing substantial environmental benefits. As early as in the first half of 2006 a new metro line A extension (approx. 1 km) to Hostivař Depot station is to be opened. Development of the second stage of metro IV.C extension from Ládví to Letňany will continue. Attention will be paid to plans in connection with future metro network development. This involves mainly an initial section of metro line D Hlavní Nádraží – Písnice. The year 2006 will be perhaps critical with regard to a decision about possible use of the light rail system or existing transport technology. Extension of metro line A from Dejvická station to Ruzyně airport represents another,

principally a breakthrough development plan. This plan should be promptly reflected in urban development plan and further preparations are to be continued. Further key priorities include also a gradual increase in the number of metro stations provided with barrier-free access which involves demanding structural modifications of older metro sections. In 2006 barrier-free access is to be developed at Vltavská station; structural modifications of Florenc station are in the process and other similar development activities are in the process of preparation.

Attention will be paid to development of the tram system. New tram line Laurová – Radlická is at the final stage of preparations with planned implementation in 2007. We expect that a principally new plan to develop a new tram line to Suchbát, accentuated by the city of Prague, will continue. Plans for the tram line Barrandov – Holyně – Slivenec will move on to the next stage. Preparations of a new tram line Počernická – Sídliště Malešice will be reviewed on condition that solution of coordination with reconstruction of water supply line in Počernická Street is found. Modernization of our corporate fleet and rolling stock is also one of our future priorities. This modernization is particularly aimed at increasing the number of technically progressive, cost-effective and easily accessible vehicles. We will continue in acquisition of new M1 metro trains as well as in reconstruction of 81-71 trains. Within the framework of acquisition of new buses we plan to continue to maintain a certain share of low-floor buses. Reconstruction of buses will continue to be another form of bus fleet renewal.

The most substantial changes will be implemented in connection with the tram rolling stock renewal. Deliveries of up-to-date low-floor 14T trams, manufactured by Skoda Transportation, started in 2005 and by 2007 we plan to acquire 20 14T trams. We also plan future acquisition of additional 40 14T trams. Another method of gradually increasing the number of low-floor trams is modernization of KT8D5 tram cars involving insertion of a central low-floor section. 5 modernized trams are to be delivered in 2005 and all KT8D5 are to be gradually fitted with the central low-floor section. We should not miss to mention also beneficial reconstructions of well-established T3 trams with 50 reconstructed trams planned to be delivered each year. Priority measures implemented so far have had a very positive impact on fast and regular flow of public transport and we are therefore committed to further extension of such measures even in the years to come.

The Service Quality Programme contributing to improved quality of services provided by our company will be further developed. In addition to stabilization of particular quality standards attention is also paid to the process of certification of particular operations under ISO 9000 standards with a topical focus mainly on certification of metro line C.



companies

with capital interest of Prague Public Transit Co. Inc.

Inženýring dopravních staveb a. s. (Transport Constructions Engineering Co. Inc.)

The core activity of the company is to ensure activities related to development projects for various investors, including project design, obtaining necessary development approvals and building licences, performing professional management and supervision of construction works and obtaining final approvals for use. Prague Public Transit Co. Inc. holds a 34 % interest in the company.

SPŠD, SOU a U, a. s. (Transport Technical College, Secondary Vocational Training Centre, Apprenticeship Training Centre)

The main activity of the company is education and training at three types of schools, i.e. Transport Technical College, Secondary Vocational Training Centre, Apprenticeship Training Centre. Prague Public Transit Co. Inc. holds 100 % shares.

Elaugen DP Praha, s. r. o.

The company is engaged in renewal of rail profiles of tram tracks. Prague Public Transit Co. Inc. owns a 40% interest in the company.

Pražská strojírna a. s. (Prague Machinery Plant Co. Inc.)

The company is engaged in design, production and assembly of components and units for construction and maintenance of tram tracks. Prague Public Transit Co. Inc. holds 100 % shares.

Rencar Praha, a. s. (Rencar Prague Co. Inc.)

The company is engaged in all kinds of advertising activities starting from large-scale advertisements on trams, buses and metro trains to leases of display cases at bus stops. Prague Public Transit Co. Inc. owns a 28 % interest in the company.



report on activities

of the Supervisory Board of Prague Public Transit Co. Inc. in 2005

In 2005 there was a change in the membership of the Supervisory Board of Prague Public Transit Co. Inc. consisting of nine members, and that as a result of termination of the term of office of 2 members representing the staff of the company – Mr. Jiří Čada and Ing. Václav Procházka. Jiří Čada (reelected) and Mr. František Kadlec were voted by ballot for the following term of office.

In the course of 2005 the Supervisory Board met on a regular basis in line with the agreed schedule as well as on an irregular basis when necessary. On their regular meetings board members discussed key issues based on the skeleton plan, including the following:

- continuous monitoring of economic performance of the company, including supervision over implementation of conclusions made by the previous annual meeting and other general meetings;
- monitoring of economic performance and supervision over implementation of conclusions made by Annual General Meetings of companies with capital interest of Prague Public Transit Co. Inc.;
- continuous monitoring of the progress of the Transformation Project;
- monitoring of development of the financial plan of Prague Public Transit Co. Inc. for 2005;
- continuous monitoring of price developments with respect to electric power and fuel in relation to the cost of public transport;
- discussion about materials and resolutions adopted by the board of directors and ordinary general meetings;
- continuous monitoring of deliveries of new metro

trains of the third series and preparations in connection with future deliveries for tram rolling stock renewal;

- participation in tender commissions established to assess bids of individual contractors,
- continuous monitoring of the progress of preparation of possible changes in prices and tariff of public transport within the framework of the Prague Integrated Transport system.

The Supervisory Board paid also attention to issues not finalized in 2004 and transferred to 2005.

The Board also flexibly discussed material issues affecting the company as necessary.

The Annual General Meeting held on 17 May 2005 approved economic results of Prague Public Transit Co. Inc. for 2004. In accordance with Section 198 of the Commercial Code, the Supervisory Board prepared its position on the annual financial statements of the company, position on the report on economic performance of the company, on Public Auditor's Statement on Audit of the Annual Financial Statements as of 31 December 2004, on the report on relations between interrelated entities. The Supervisory Board stated, among others, that economic result for 2004 equaled zero. The total economic result for 2004 shows a loss amounting to CZK 718,283,053.37 as a result of the recovery from 2002 floods – including in-house loss (- CZK 32,886.00) and subsidy from the municipal budget – EU Solidarity Fund (CZK 3,578,368.58). The Supervisory Board stated that it carefully monitored development of revenues from ordinary activities where an absolute increase of net revenues from integrated transport services (excluding extra charges to fare) was

almost 8.3% compared to 2003. In the next part of its position on the annual financial statements for 2004 the Supervisory Board stated that it consistently monitored the progress of the ongoing transformation of the company.

In 2005 the Supervisory Board discussed quarterly economic performance and calculation of PT costs on a regular basis and continuously monitored economic performance of Prague Public Transit Co. Inc. This is closely related to the financial plan for 2005. With regard to the fact that in 2004 there was a lack of financial funds and a part of uncovered needs of 2004 was transferred to 2005 the Supervisory Board recommended that a qualified analysis referring to this fact would be attached as an appendix to the financial plan. At the same time, the Supervisory Board reminded of the effects of the ongoing transformation which relied on certain savings of resources but, at the same time, the actual process of transformation led to increases of certain costs while the savings resulting from the transformation could be reflected later. On 16 February 2005 the Supervisory Board discussed the financial plan for 2005 prepared by the Board of Directors and unanimously adopted resolution No. 2/1 confirming that the subsidy allocated for 2005 was not sufficient enough and did not cover actual expected cost items. As a result, the Supervisory Board call on the Board of Directors to discuss, as early as possible, with the shareholder an increase in fares and tariff of Prague Integrated Transport with regard to the impact on economic result of 2005. The Supervisory Board continued to pay attention to the financial plan for 2005. On its meeting on 20 April 2005, it



adopted resolution No. 4/2 calling on the Board of Directors to promptly approve the financial plan in accordance with Art. 22.2 of applicable Articles of Association, in line with supervision over the performance of the scope of powers of the Board of Directors and performance of business activities of the company. On the next meeting on 18 May 2005 the Supervisory Board unanimously adopted resolution No. 5/2 calling on the Board of Directors to inform the general meeting held on 24 May 2005 about the failure of the expected increased revenues from fares and about financial problems of Prague Public Transit Co. Inc. resulting from the fact that the amount of operating subsidy allocated by the municipal budget did not take into account a justified increase in cost items such as increase in prices of fuels and energy, increase in wages agreed within the framework of collective bargaining, increase in prices of spare parts and outsourced works, increase in write-offs of newly activated investments and payments of loan interests in connection with the rolling stock renewal. The Supervisory Board paid an extraordinary attention to the issue of the financial plan and/or development of deviations from the plan, discussed by the Board of Directors on 21 March 2005. Issues of disproportions of the financial plan and solution options were continuously monitored by the Supervisory Board until the end of 2005. Even in 2005 great attention was paid to funding the costs associated with the final stage of recovery of the technical condition of the metro system. The Supervisory Board regularly monitored information and reports about the current status of the post-flood recovery. Concurrently, the Supervisory Board monitored issues related to the amount of costs,

distribution of costs and obtaining resources for cost coverage, including the progress of implementation of Prague metro flood protection system. Having discussed the final report on this issue the Supervisory Board also asked for an additional report on the post-flood recovery from other damages (other than related to the metro system). Recovery of the metro system is closely related to deliveries of new and modernized metro trains for particular lines, including automatic train control. The Supervisory Board monitored on a regular basis the progress of deliveries of both types of metro trains and paid a special attention to a material issue of funding payments by means of the proposed so called "bond scheme". This issue was not resolved in 2005. Particular attention was also paid to the progress of development of metro extension IV.C2, including funding. On 21 December 2005 the Supervisory Board adopted a resolution No. 12/5, calling on the Board of Directors, with regard to the lack of funds allocated to this development (in 2005 more than CZK 750 mil. were missing), to draw up – within the framework of preparation of the financial plan for 2006 – an analysis of possible options of funding the costs in connection with development of metro extension IV.C2 in 2006 subject to the fact that the price did not include prices tendered for particular stations. Similarly, the Supervisory Board also monitored completion of the tram line Hlubočepy – Barrandov; this tram line is now in trial service and final completion is planned for 2006. In the second half of 2005 the Supervisory Board also paid attention to the issue of future deliveries for tram rolling stock renewal, including the progress and results of operating tests. At the

same time, they also monitored the progress of an appeal (or review) proceedings with the Office for the Protection of Economic Competition which was a result of a complaint filed by one of unsuccessful bidders in public tender.

One of special issues closely monitored by the Supervisory Board included the optimization stage of the Transformation Project of Prague Public Transit Co. Inc. Although one of the members of the Steering Committee of the Transformation Project is also a member of the Supervisory Board (prof. Ing. Petr Moos CSc.) the Supervisory Board asked the Transformation Project Manager to submit detailed information about the commencement and progress of the optimization stage. In the presence of invited top managers the Supervisory Board discussed in detail the progress and consequences of transformation, including specification of costs incurred in connection with the implementation of the Transformation Project as well as existing and expected benefits and savings resulting from the project.

For many years the Supervisory Board has been also involved in public procurement procedures. Its members were represented on commissions established to assess bids of potential contractors for relevant investment projects or deliveries also in 2005. Having assessed the activities throughout the year, it can be stated that in the course of 2005 the Supervisory Board of Prague Public Transit Co. Inc. acted in compliance with the Articles of Association and with the interests of its shareholder – the City of Prague – and performed its supervisory role in a proper and systematic fashion and supervised the performance of the Board of Directors and business activities of the company.







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Operational and technical indicators

Number and length of routes (km)

	daytime	nighttime	total length
Metro	3	–	54.0
Tram	26	9	559.3
Bus	179	14	2 084.5
Total	208	23	2 697.8

Average speed (km/h)

	commercial	operational
Metro	34.6	33.2
Tram	19.9	14.2
Bus	25.9	16.7

Percentage of fleet/rolling stock repairs

	2005
Metro	* 12.8
Tram	* 6.9
Bus	* 8.3

* excluding vehicles in modernization or reconstruction



**Average number of vehicles in operation/day
(in regular operation outside holiday period)**

	morning peaks	off-peaks	afternoon peaks	Saturdays	Sundays
Metro	405	205	375	155	145
Tram	702	557	698	400	399
Bus	946	442	878	405	410
Total	2 053	1 204	1 951	960	954

Traction power consumption (kWh)

	total kWh (in '000)	per 1 v.km
Metro	101 971	2.18
Tram	155 036	3.13
Total	257 007	

Diesel oil consumption (l)

	litres (in '000)	per 1 v.km
Bus	29 190	0.45



		inventory (accounting) records			operating records for PT +/-
		total	of which:		
			M+R */	disposal	
Metro of which:		730	307	0	420
	81-71	287	92		195
	81-71 M (modernized)	215	215		0
	M1	225			225
	EČS (historic)	3			
Tram of which:		972	28	0	926
	KT8 D5 + KT8N2	47	3		44
	RT6N + 14T	6			6
	T3 + T3R.P	364	24		340
	T3M	97	1		96
	T3SU	289			289
	T6A5	151			151
	historic tram cars	18			
Bus of which:		1 239	5	0	1 223
standard (S)	B731, B951	185			185
	B732, B732R	169			169
	B732R for disabled	7			7
	B931	198			198
	C734, C734R	8			8
	C934	1			1
	total standard	568	0	0	568
standard low-floor (SL)	CITY standard	319			319
	Citelis	1	1		0
	Neoplan 4014	3			3
	E91 midibus	4			4
	total low-floor	327	1	0	326
articulated (A)	B741, B741R, B961	105	4		101
	B941	175			175
	total articulated	280	4	0	276
articulated low-floor (AL)	CITY articulated	53			53
long-distance	LC735, LC936, Neoplan, Mercedes	11			
Total		2 941	340	0	2 569

Fleet and rolling stock as of 31. 12. 2005 inventory (accounting) records and operating records

*/ M+R = vehicles undergoing modernization and reconstruction
+/- M+R = the total does not include historic vehicles and long-distance buses

Until 2000 no distinction was made between operating records and inventory (accounting) records.
Vehicles undergoing modernization and reconstruction have been recorded separately from 2001. As a result fleet and rolling stock status has been divided into:
- inventory (accounting) records of total fleet and rolling stock
- operating records.
Unlike operating records inventory records include also vehicles under reconstruction, modernization, put aside for disposal, historic vehicles and long-distance buses.
Operating records include vehicles certified for operation in public passenger transport, including vehicles undergoing ordinary repairs.

Note:
Total inventory records = 2 941 – 340 vehicles undergoing modernization and reconstruction – 0 vehicles in liquidation – 3 historic metro cars and 18 historic trams – 11 long-distance buses = 2 569 vehicles on operating records for PT.



Metro

Type of car	Year of manufacture																
	76	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93
81-7171 - frontal	0	6	3	2	4	10	4	4	11	24	12	12	12	10	0	0	0
81-7141 - inset	0	2	2	3	17	15	5	8	18	36	18	16	18	15	0	0	0
Historic	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Type of car	Year of manufacture												Total	Mean age			
	94	95	96	97	98	99	00	01	02	03	04	05					
81-7171 - frontal	0	0	0	0	0	0	0	0	0	0	0	0	114				19.53
81-7141 - inset	0	0	0	0	0	0	0	0	0	0	0	0	173				19.45
81-717M - frontal (modernized)	0	0	0	0	0	0	8	12	18	12	14	22	86				2.09
81-714M - inset (modernized)	0	0	0	0	0	0	10	20	27	18	21	33	129				2.08
M1.1- frontal	0	0	0	0	0	0	0	30	14	18	22	6	90				2.44
M1.2; M1.3 - inset	0	0	0	0	0	0	0	45	21	27	33	9	135				2.44
Historic	0	0	0	0	0	0	0	0	0	0	0	0	3				29.00
													Total	730	9.15		
											Total excluding historic cars			727	9.06		



Trams

Type of car	Year of manufacture																
	65	66	67	68	70	71	73	74	75	76	82	83	84	85	86	87	89
T3	0	4	8	2	12	9	47	21	11	20	0	0	0	0	0	0	0
T3M	0	0	0	0	0	32	13	12	8	12	0	0	0	0	0	0	0
T3 - SU	0	0	0	0	0	0	0	0	0	0	17	50	0	80	40	62	40
KT8D5 (articulated)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	33

Type of car	Year of manufacture													Total	Mean age	
	90	94	95	96	97	98	99	00	01	02	03	04	05			
T3	0	0	0	0	0	0	0	0	0	0	0	0	0	134	32.28	
T3M	0	1	0	2	6	10	1	0	0	0	0	0	0	97	26.98	
T3 - SU	0	0	0	0	0	0	0	0	0	0	0	0	0	289	19.40	
T3R.P	0	0	0	0	0	0	0	2	49	39	41	50	49	230	1.98	
T6A5	0	0	80	50	20	0	1	0	0	0	0	0	0	151	9.38	
KT8D5 (articulated)	6	0	0	0	0	0	0	0	0	0	0	0	0	43	16.14	
KT8N2 (articulated) *L	0	0	0	0	0	0	0	0	0	0	0	0	4	4	0.00	
14T (articulated) *L	0	0	0	0	0	0	0	0	0	0	0	0	2	2	0.00	
RT6N (articulated) *L	0	0	0	4	0	0	0	0	0	0	0	0	0	4	9.00	
														Total	954	15.88
Historic trams (nostalgic line)														18		

*L) low-floor vehicles



Buses

Type of bus	Year of manufacture														Total	Mean age
	89	93	94	95	96	97	98	99	00	01	02	03	04	05		
B 731	0	0	0	94	0	0	0	0	0	0	0	0	0	0	94	10.28
B 951	0	0	0	0	0	0	0	0	0	0	31	30	30	0	91	2.28
B 732, B732R	0	0	7	0	0	12	20	40	46	31	20	0	0	0	176	5.97
B 741, B741R (articulated)	0	0	0	10	53	0	0	0	1	10	0	0	0	0	74	9.02
B 961 (articulated)	0	0	0	0	0	0	0	0	0	0	11	20	0	0	31	2.99
B 931	0	0	0	11	132	25	0	20	0	10	0	0	0	0	198	8.51
B 941 (articulated)	0	0	0	0	0	55	50	50	0	20	0	0	0	0	175	7.32
C 734, C734R	0	0	2	2	0	4	0	0	0	0	0	0	0	0	8	9.72
C 934	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	6.68
CITY standard *L	0	0	0	1	4	10	26	49	80	50	19	30	50	0	319	4.62
long-distance **Types	1	0	0	0	0	3	6	0	1	0	0	0	0	0	11	8.35
CITY articulated *L	0	0	0	0	0	0	0	0	0	1	12	20	20	0	53	2.24
Citelis *L	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0.01
Midibus E91 *L	0	0	0	0	0	0	0	0	0	0	0	3	1	0	4	2.33
NEOPLAN *L	0	0	1	2	0	0	0	0	0	0	0	0	0	0	3	11.02
Total	1	0	10	120	189	109	102	160	128	122	93	103	101	1	1 239	6.27

*L) low-floor vehicles

**Types) LC 735, LC 936, Mercedes, Neoplan



Accident rate

	total accidents	accidents - caused by PPT	accidents caused by PPT drivers
Metro	21	9	4
%	1 %		
of which: fatalities:	6		
Trams	1 513	235	204
%	57 %		
of which: fatalities:	9		
Buses	1 114	551	542
%	42 %		
of which: fatalities:	0		
Total	2 648	795	750
%	100 %		
of which: fatalities:	15		



List of lines included in Prague Integrated Transport system operated by Prague Public Transit Co. Inc.

1) Metro

- A Skalka - Dejvická
- B Zličín - Smíchovské nádraží -
Českomoravská - Černý Most
- C Ládví - Háje

2) Trams

Day service

- 1 Petřiny - Spořovací
- 2 Červený vrch - Petřiny
- 3 Lehovec - Sídliště Modřany / Levského
- 4 Kotlářka - Čechovo náměstí
- 5 Výstaviště - Olšanské hřbitovy
- 6 Laurová - Kubánské náměstí
- 7 Sídliště Řepy - Kotlářka - Ústřední dílny DP
- 8 Podbaba - Nádraží Vysočany / Vysočanská
- 9 Sídliště Řepy - Spořovací
- 10 Sídliště Ďáblice - Sídliště Řepy
- 11 Černokostelecká - Spořilov
- 12 Palmovka - Sídliště Barrandov
- 13 Smíchovské nádraží - Sídliště Barrandov
- 14 Vozovna Kobylisy - Sídliště Barrandov
- 15 Březiněveská / Kobylisy - Vypich
- 16 Spořovací - Nádraží Braník
- 17 Sídliště Ďáblice - Sídliště Modřany /
Levského
- 18 Petřiny - Vozovna Pankrác
- 19 Lehovec - Kubánské náměstí
- 20 Divoká Šárka - Smíchovské nádraží - Sídliště
Barrandov
- 21 Levského - Národní třída - Sídliště Modřany
(semi-circular line)

Night service

- 51 Divoká Šárka - Nádraží Strašnice /
Radošovická
- 52 Lehovec - Sídliště Modřany / Levského
- 53 Sídliště Ďáblice - Vozovna Pankrác
- 54 Lehovec - Sídliště Barrandov
- 55 Vozovna Kobylisy - Ústřední dílny DP
- 56 Petřiny - Spořilov
- 57 Bílá Hora - Nádraží Hostivař
- 58 Sídliště Řepy - Spořovací
- 59 Sídliště Řepy - Nádraží Hostivař

Nostalgic tram line

- 91 Vozovna Střešovice - Výstaviště

3) Buses

Day service

- 100 Zličín - Letiště Ruzyně
- 101 Strašnická - Centrum Zahradní Město -
Plynárna Měcholupy
- 102 Nádraží Holešovice - Staré Bohnice - Zámky

- 103 Ládví - Ďáblice - Březiněves
- 104 Na Knížecí - Slivenecká
- 106 Kavkazská - Nádraží Braník
- 107 Dejvická - Suchdol
- 108 Špejchar - Ciolkovského
- 109 Palmovka - Sídliště Rohožník
- 111 Skalka - Dolní Měcholupy
(until 30. 11. 2005 Skalka - Sídliště Petrovice
- Pitkovice)
- 112 Nádraží Holešovice - Zoologická zahrada
- Podhoří
- 113 Kačerov - Písnice
- 114 Kačerov - Šeberák
- 115 Chodov - Keblovská
- 116 Dejvická - Bořislavka
- 117 Kačerov - Poliklinika Modřany / Čechova čtvrť
- 118 Dvorce - Roztyly
(until 9. 11. 2005 Dvorce - Koleje Jižní Město)
- 119 Dejvická - Letiště Ruzyně
- 120 Na Knížecí - Klukovice
- 121 Sídliště Spořilov - Nádraží Braník
(until 9. 11. 2005 Roztyly - Nádraží Braník)
- 122 Chodov - Nádraží Hostivař - Léčiva
- 123 Na Knížecí - Šmukýřka
- 124 Kavkazská - Dvorce
- 128 Hlubočepy - Žvahov - Hlubočepy
(semi-circular line)
(in service from 1. 9. 2005)
- 129 Smíchovské nádraží - Baně
- 130 Na Knížecí - Sídliště Stodůlky
- 131 Hradčanská - Bořislavka
- 133 Staroměstská - Sídliště Malešice
(until 30. 9. 2005 Florenc - Sídliště Malešice)
- 135 Florenc - Želivského



- | | | | | | |
|-----|--|-----|---|-----|--|
| 136 | Sídlíště Ďáblice - Roztyly - Koleje Jižní Město
(until 9. 11. 2005 Sídlíště Ďáblice -
Sídlíště Spořilov) | 167 | Na Knížecí - Nemocnice Na Homolce | 200 | Kobylisy - Sídlíště Bohnice |
| 137 | Na Knížecí - U Waltrovky | 168 | Palmovka - Dolní Počernice | 201 | Nádraží Holešovice - Poliklinika Prosek |
| 138 | Skalka - Tolstého | 170 | Vavřenova - Jižní Město | 202 | Poliklinika Mazurská - Za Avíí / Vinoř |
| 139 | Želivského - Na Beránku | 171 | Kačerov - Sídlíště Písnice | 203 | Vavřenova - Jižní Město |
| 140 | Palmovka - Čakovice | 172 | Smíchovské nádraží - Velká Chuchle -
Smíchovské nádraží
(semi-circular line) | 204 | Smíchovské nádraží - Sídlíště Radotín
(one direction only) |
| 141 | Černý Most - Generála Janouška - Černý Most
(semi-circular line) | 174 | Špejchar - Velká Ohrada | 205 | Zelený pruh - Komořany |
| 142 | Nové Butovice - Nad Malou Ohradou | 175 | Kobylisy - Šimůnkova
(until 15. 10. 2005 Ke Stírce - Šimůnkova) | 207 | Florenc - Ohrada
(until 30. 9. 2005 Staroměstská - Ohrada) |
| 143 | Dejvická - Stadión Strahov | 176 | Karlovo náměstí - Stadión Strahov | 208 | Želivského - Dolní Počernice |
| 144 | Kobylisy - Poliklinika Mazurská | 177 | Chodov - Skalka - Poliklinika Mazurská | 210 | Nádraží Holešovice - Obchodní centrum
Čakovice - Čakovice |
| 145 | Ládví - Jesenická | 179 | Nové Butovice - Letiště Ruzyně | 211 | Nové Butovice - Velká Ohrada |
| 147 | Dejvická - Výhledy | 180 | Kafkova - Sídlíště Řepy | 212 | Jižní Město - Tiskařská - Jižní Město
(semi-circular line) |
| 148 | Podolská vodárna - Kavčí hory - Budějovická | 181 | Sídlíště Čimice - Nádraží Hostivař | 213 | Želivského - Jižní Město |
| 149 | Dejvická - Nové Butovice | 182 | Kloboučnická - Sídlíště Lhotka - Nádraží Braník | 215 | Kačerov - Sídlíště Libuš |
| 150 | Kloboučnická - Poliklinika Modřany /
Čechova čtvrť | 183 | Vozovna Kobylisy - Sídlíště Petrovice | 216 | Špejchar - Bořislavka - Nové Vokovice |
| 151 | Českomoravská - Poliklinika Prosek | 184 | Nové Butovice - Petřiny | 217 | Na Knížecí - Dejvická |
| 152 | Sídlíště Ďáblice - Sídlíště Čimice | 185 | Palmovka - Letecké opravy | 218 | Dejvická - Sídlíště Na Dědině |
| 154 | Skalka - Koleje Jižní Město | 186 | Černý Most - Sídlíště Bohnice | 219 | Nové Butovice - Bavorská |
| 155 | Želivského - Sídlíště Malešice | 187 | Sídlíště Bohnice - Ládví - Palmovka
(until 5. 3. 2005 Ládví - Prosek - Palmovka) | 222 | Černý Most - Výzkumné ústavy Běchovice
(from 1. 12. 2005 handed over to Hotliner
operator) |
| 156 | Ládví - Avia Letňany - Ládví
(semi-circular line) | 188 | Želivského - Kavčí hory | 223 | Černý Most - Horní Počernice
(from 1. 12. 2005 handed over to Hotliner
operator) |
| 157 | Na Beránku - Kačerov
(one direction only) | 189 | Kačerov - Sídlíště Lhotka | 224 | Strašnická - Skalka |
| 158 | Českomoravská - Miškovice | 191 | Na Knížecí - Petřiny | 225 | Nové Butovice - Ciolkovského -
Letiště Ruzyně |
| 160 | Dejvická - Lysolaje | 192 | Budějovická - Pražská čtvrť | 226 | Opatov - Hrnčíře
(cancelled from 6. 3. 2005) |
| 161 | Dejvická - Nebušice | 193 | Náměstí bratří Synků - Mikrobiologický ústav | 228 | Skalka - Dubeč |
| 162 | Kobylisy - Dolní Chabry
(until 15. 10. 2005 Ke Stírce - Dolní Chabry) | 194 | Skalka - Léčiva | 229 | Skalka - Koloděje |
| 163 | Skalka - Štěrboholy - Bezděkovská | 195 | Avia Letňany - Jesenická | 230 | Sídlíště Stodůlky - Řeporyjské náměstí |
| 164 | Nové Butovice - Bílá Hora | 196 | Smíchovské nádraží - Kačerov | | |
| 166 | Českomoravská - Třeboradice - Teplárna
Třeboradice | 197 | Na Knížecí - Háje | | |
| | | 198 | Smíchovské nádraží - Sídlíště Písnice | | |
| | | 199 | Smíchovské nádraží - Nové dvory -
Smíchovské nádraží
(semi-circular line) | | |

231 Na Knížecí - Dívčí Hrady - Na Knížecí
(semi-circular line)

233 Palmovka - Obchodní centrum Čakovice

234 Habrová - Sídliště Skalka

235 Nové Butovice - Velká Ohrada - Nové Butovice
(semi-circular line)

238 Želivského - Léčiva

239 Želivského - Rektorská

241 Smíchovské nádraží - Lipence

242 Háje - Továrny Hostivař

243 Smíchovské nádraží - Sídliště Zbraslav

244 Smíchovské nádraží - Sídliště Radotín

245 Nádraží Radotín - Otěšinská - Nádraží
Radotín (semi-circular line)

246 Smíchovské nádraží - Lochkov - Nádraží
Radotín

247 Chaplinovo náměstí - Pod Lochkovem
(until 15. 11. 2005 Chaplinovo náměstí -
Lochkov)

248 Smíchovské nádraží - Holyně

249 Sídliště Stodůlky - Třebonice

250 Černý Most - Sídliště Rohožník

251 Nádraží Klánovice - Sídliště Rohožník
(from 1. 12. 2005 handed over to Hotliner
operator)

253 Smíchovské nádraží - Na Beránku

254 Dejvická - Přední Kopanina - Letiště Ruzyně

256 Nové Butovice - Nádraží Radotín

257 Zličín - Sobín

259 Českomoravská - Vinoř

260 Jižní Město - Koh-I-Noor - Jižní Město
(semi-circular line)
(until 18. 4. 2005 Jižní Město - Koh-I-Noor)

261 Černý Most - Klánovice

264 Skalka / Nádraží Uhřetěves - Královice

265 Skalka - Lipany - Kolovraty

266 Skalka / Nádraží Uhřetěves - Hájek

267 Háje - Uhřetěves

268 Skalka - Nedvězí

269 Avia Letňany - Sídliště Rohožník
(from 1. 12. 2005 handed over to Hotliner
operator)

271 Skalka - Háje

272 Kačerov - Sídliště Písnice

273 Hloubětínská - Ve Žlábku

274 Palmovka - Avia Letňany - Palmovka
(semi-circular line)

277 Přestická - Skalka (one direction only)

280 Českomoravská - Vinoř

291 I.P.Pavlova - Karlovo náměstí - I.P.Pavlova
(semi-circular line)

Suburban bus lines

301 Sídliště Stodůlky - Chýnice

305 Českomoravská - Čakovičky

312 Dejvická - Tuchoměřice, kulturní dům
- Tuchoměřice, Štěrbový mlýn - Tuchoměřice,
Špejchar - Lichoceves

324 Opatov - Čestlice

325 Opatov - Čestlice

326 Opatov - Jesenice - Jesenice, Belnická
(until 5. 3. 2005 Opatov - Jesenice -
Jesenice, Belnická - Jesenice, Osnice)

327 Opatov - Jesenice, Osnice

329 Skalka - Škvorec, nám.

347 Zličín - Hostivice, Staré Litovice - Motol
(until 10. 12. 2005 Motol - Bílá Hora -
Hostivice, Staré Litovice)

351 Českomoravská - Hovorčovice - Měšice,
Agropodnik - Čakovičky - Libiš, Spolana 4

352 Sídliště Stodůlky - Jinočany, náměstí

354 Českomoravská - Podolanka

355 Dejvická - Horoměřice, V lipkách - Únětice

356 Dejvická - Horoměřice, V lipkách - Statenice

357 Zličín - Hostivice, Staré Litovice
(cancelled from 1. 11. 2005)

358 Zličín - Chýně (cancelled from 11. 12. 2005)

359 Dejvická - Únětice

364 Skalka / Nádraží Uhřetěves - Doubek

365 Českomoravská - Mratín -
Kostelec n. Lab., nám.

366 Českomoravská - Kostelec n. Lab., nám.

Night service

501 Na Knížecí - Jinonice
(in service from 7. 3. 2005)

502 Vítězné náměstí - Suchdol

503 Lehovce - Sídliště Rohožník

504 Ohrada - Sídliště Písnice

505 Sídliště Čimice - Jižní Město

506 Sídliště Malešice - Uhřetěves

507 Smíchovské nádraží - Sídliště Zbraslav

508 Anděl - Sídliště Stodůlky

509 Čakovice - Na Beránku

510 Letiště Ruzyně - Sídliště Stodůlky
(until 1. 7. 2005 Divoká Šárka - Letiště
Ruzyně)



- 511 Florenc - Nádraží Hostivař
- 512 Lehovec - Ve Žlíbku
- 513 Jilemnická - Sídliště Lhotka
- 514 Chaplinovo náměstí - Sídliště Radotín

School bus lines

- 551 Opatov - Brechtova
(one direction only)
- 552 Náměstí Míru - Karlov
(one direction only)
- 554 Ronešova - Sídliště Lehovec
(one direction only)
- 555 Jenerálka - Žákovská
(one direction only)
- 556 Za Horou - Škola Kyje
(one direction only)
- 558 Bazovského - Nádraží Veleslavín
(one direction only)
- 559 Jahodnice II - Žárská
(one direction only)
- 560 Bílá Hora - Na Okraji
(one direction only)
- 561 Sídliště Zbraslav - Velká Chuchle
(one direction only)
- 562 Sídliště Rohožník - Horní Počernice
(from 1. 12. 2005 handed over to Hotliner operator)
- 563 Divoká Šárka - Červený vrch
(one direction only)
- 564 Sídliště Rohožník - Hulická / Polesná -
Sídliště Rohožník
(from 1. 12. 2005 handed over to Hotliner operator)

- 565 Stadion Strahov - Weberova
(one direction only)
- 566 Škola Kolovraty - Picassova
(one direction only)
- 567 Habrová - Olšanské náměstí
(one direction only)
- 568 Sídliště Zličín - Za slánskou silnicí
(one direction only)
- 569 Benice - Picassova
(one direction only)
(in service from 9. 11. 2005)
- 570 Pitkovice - Picassova / Sídliště Petrovice
(until 30. 11. 2005 Sídliště Petrovice -
Picassova)
- 571 Správa soc. zabezpečení - Škola Radlice
(one direction only)

Special bus lines

- 103001 Bryksova - Florenc - Chodov
- 103003 U spojů - Sídliště Ďáblice - Florenc
- Sídliště Řepy - Zličín

Special bus line Airport Express

- AE Nádraží Holešovice - Letiště Ruzyně

4) Funicular railway

- Újezd - Petřín

Data on supply of transport services provided by Prague Public Transit Co. Inc. in the City of Prague (zones P+0) and in outer zonesI (in '000 passengers)

Number of passengers by type of ticket in the City of Prague (P + 0)

Discounted civil season tickets:		
- monthly	72 687	6.33 %
- quarterly	64 252	5.60 %
- annual	193 848	16.89 %
Discounted season tickets:		
- monthly	53 077	4.63 %
- quarterly	146 264	12.75 %
Season tickets with optional commencement of validity period:		
- 30 days	78 202	6.82 %
- 90 days	108 150	9.43 %
Annual season tickets issued without provision of personal data of the holder	39	0.00 %
Free of charge transportation	206 631	18.01 %
Single transfer tickets incl. P+R	118 558	10.33 %
Non-transfer short-term local tickets	30 967	2.70 %
Other season tickets	66 671	5.81 %
Total (zones P + 0)	1 139 346	99.30 %

Number of passengers in the City of Prague (P + 0) including funicular railway and outer zones

Number of passengers within the capital (P + 0) including funicular railway and outer zones		1 147 400
P + 0		1 139 346
outer zones		8 054

of which:	Metro	45.21 %	515 098
	Tram	29.80 %	339 525
	Bus + outer zones	24.99 %	292 777



Number of passengers by type of ticket in outer zones

- discounted monthly civil extra coupons	1 479	0.13 %
- discounted monthly extra coupons (children 6-15)	284	0.02 %
- discounted quarterly civil extra coupons	1 399	0.12 %
- short-term season tickets valid for all PIT fare zones (30 %)	3	0.00 %
- single tickets	818	0.07 %
- extra monthly coupons and single tickets for outer zones – special discounted	853	0.07 %
- free of charge transportation in outer zones	2 927	0.26 %
- non-transfer tickets for 2 zones	291	0.03 %
Total outer zones	8 054	0.70 %

Total (zone P + 0) + outer zones	1 147 400	100.00 %
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Operational vehicle and place kilometers (in '000 km)

	vehicle km *	place km *
Metro	46 598	8 632 642
Tram	49 041	5 678 017
Funicular railway	21	2 067
Bus	61 712	4 983 279
Total	157 372	19 296 005

* excluding contractual transport services,
substitute bus services and nostalgic line

HR indicators

Number of employees (on records as of 31. 12. 2005 and average equivalent number)

	on records	average equivalent number
Metro	3 809	3 884
Tram	3 579	3 641
Bus	3 655	3 726
General Management	1 610	1 465
Total	12 653	12 716

Age structure (based on records as of 31. 12. 2005)

category	Total		– 20 years		21 – 30		31 – 40		41 – 50		51 – 54		55 – 60		60 +	
	male	female	male	female	male	female	male	female	male	female	male	female	male	female	male	female
Workers	4 147	350	31	0	658	20	822	55	876	87	577	76	927	106	256	6
Operators and attendants	4 534	414	1	0	472	20	1 155	94	1 190	111	611	73	917	105	188	11
T+E staff	2 033	1 175	8	1	230	83	379	204	462	338	287	232	481	292	186	25
Total	10 714	1 939	40	1	1 360	123	2 356	353	2 528	536	1 475	381	2 325	503	630	42
Total	12 653															



Number of employees by profession categories (average equivalent number)

Profession category		Metro	Tram	Bus	Gen. Management	Total
PT drivers, total		516	1 360	2 319	0	4 195
of which:	metro drivers	516				516
	tram drivers		1 360			1 360
	bus drivers			2 319		2 319
truck drivers		0	0	0	127	127
operators and attendants		36	222	273	191	722
total workers		2 093	1 432	781	145	4 451
total T+E staff		1 239	627	353	1 002	3 221
Total employees:		3 884	3 641	3 726	1 465	12 716
of which:	male %	86.6	84.4	95.2	56.9	84.7
	female %	13.4	15.6	4.8	43.1	15.3

Wages paid by categories (in '000 CZK)

	Metro	Tram	Bus	Gen. Management	Total
PT drivers	179 400	373 718	659 076	–	1 212 194
Workers	501 993	351 888	175 682	66 073	1 095 636
Operators and attendants	6 369	39 978	59 595	46 786	152 728
T+E staff	371 160	199 110	104 557	319 668	994 495
Total	1 058 922	964 694	998 910	432 527	3 455 053

Economic indicators

Share of particular costs in total PT costs (in '000 CZK)

		%	
Direct costs	8 336 348	71.61	
Operation overhead	555 426	4.77	
Administration overhead	245 315	2.11	
Coordination and management costs	2 097 118	18.02	
Other costs (museum, funicular railway, deferred tax)	406 596	3.49	
Total PT costs excluding flood costs	11 640 803	100.00	
Extraordinary flood costs	410 068		
of which: IDS, a. s.	177 595		
own costs	232 473		
Total PT costs including flood costs	12 050 871		

Structure of PT direct costs excluding infrastructure (in '000 CZK)

		%	
PT vehicles repairs	1 511 449	27.17	
Fuel, material and traction power consumption	1 288 050	23.16	
PT drivers costs	1 992 555	35.83	
Substitute bus services	32 638	0.59	
PT vehicles depreciation	723 166	13.00	
Other direct costs of PT operation	13 881	0.25	
Total PT direct costs	5 561 739	100.00	



Share of PT operating costs and infrastructure costs in total PT costs (in '000 CZK)

			%
	PT operating costs	8 866 194	76.16
	Infrastructure costs	2 774 609	23.84
	Total PT costs excluding flood costs	11 640 803	100.00
	Extraordinary flood costs	410 068	
	Total PT costs including flood costs	12 050 871	

Share of cost categories in total PT costs (in '000 CZK)

			%
	Depreciation and deferred tax	2 696 943	23.17
	Wage costs (excluding flood costs – included in extraordinary flood costs)	3 454 766	29.68
	Diesel oil and power consumption	1 299 026	11.16
	Repairs and maintenance	3 124 384	26.84
	Other costs	1 065 684	9.15
	Total PT costs excluding flood costs	11 640 803	100.00
	Extraordinary flood costs	410 068	
	Total PT costs including flood costs	12 050 871	

Calculation of PT costs per 1 operational vehicle km including impact of floods

	CZK/v.km
Metro	99.4852
Tram	48.0606
Bus	37.6632
General Management *	15.8136

* PT coordination and management costs + costs
of post-flood recovery

List of ticket types

Single tickets valid in the City of Prague (zone P + 0)

type of ticket	price (in CZK)
Basic transfer full-price ticket:	
- 75 min. or 90 min.	20,-
sold by bus driver	25,-
Basic transfer discounted ticket:	
- 75 min. or 90 min.	10,-
sold by bus driver	15,-
Tickets allowing limited transfers:	
- full-price	14,-
- for children from 6-15 and holder of PIT cards for pensioners	7,-
* Non-transfer short-term local tickets:	
- full-price	8,-
- for children from 6-15	4,-
Short-term season tickets for PT (P+0):	
- 24 hours	80,-
- 24 hours discounted ticket for children from 6-15 years	40,-
- 3 days	220,-
- 7 days	280,-
- 15 days	320,-
Short-term season tickets for all zones: (P+0 + 70% share)	
- 24 hours	120,-
- 24 hours for children from 6-15	60,-

* Validity of these tickets cancelled on 30. 6. 2005



Season tickets valid in the City of Prague

type of ticket	price (in CZK)
Discounted civil season tickets:	
- monthly	460,-
- quarterly	1 260,-
- annual	4 150,-
Discounted season tickets:	
for children from 6 to 15 years:	
- monthly	115,-
- quarterly	315,-
for pupils and students from 15 to 26 years, university students up to 26 years:	
- monthly	230,-
- quarterly	630,-
for pensioners (see Tariff):	
- monthly	230,-
- quarterly	630,-



**Season tickets with optional commencement
of validity period valid in the City of Prague**

type of ticket	price (in CZK)
Season tickets issued without provision of personal data of the holder with optional commencement of validity period:	
- 30 days	560,-
- 90 days	1 600,-
- 365 days	5 900,-
Discounted season tickets issued based on provision of personal data of the holder with optional commencement of validity period:	
civil tickets:	
- 30-days civil season ticket	460,-
- 90-days civil season ticket	1 260,-
for children from 6 to 15 years	
- 30-days civil season ticket	115,-
- 90-days civil season ticket	315,-
for pupils and students from 15 to 26 years, university students up to 26 years	
- 30-days civil season ticket	230,-
- 90-days civil season ticket	630,-
for pensioners (see Tariff)	
- 30-days civil season ticket	230,-
- 90-days civil season ticket	630,-



Single tickets for outer zones

type of ticket	price (in CZK)
Basic full-price transfer tickets:	
- * for three follow-up zones 90 min.	18,-
- for four follow-up zones 120 min.	24,-
- for five follow-up zones 150 min.	30,-
- for six follow-up zones 180 min.	36,-
- for seven follow-up zones 210 min.	42,-
- for eight follow-up zones 240 min.	48,-
Basic discounted transfer tickets:	
- * for three follow-up zones 90 min.	9,-
- for four follow-up zones 120 min.	13,-
- for five follow-up zones 150 min.	16,-
- for six follow-up zones 180 min.	19,-
- for seven follow-up zones 210 min.	22,-
- for eight follow-up zones 240 min.	25,-
Short-term season tickets for all zones:	
(for zones 30% share):	
- 24 hours	120,-
- 24 hours for children from 6 - 15	60,-

Non-transfer tickets for 2 outer zones (valid from 1. 7. 2005)

type of ticket	price (in CZK)
Non-transfer tickets for 2 outer zones:	
- full-price	8,-
- for children from 6 - 15	4,-

* Validity of these tickets cancelled on 30. 6. 2005



Extra season tickets for outer zones for buses and trains

type of ticket	price (in CZK)
Coupons for one outer zone:	
- discounted monthly civil	230,-
- discounted quarterly civil	630,-
- discounted monthly for children (6-15)	110,-
Coupons for two zones:	
- discounted monthly civil	350,-
- discounted quarterly civil	960,-
- discounted monthly for children (6-15)	170,-
Coupons for three zones:	
- discounted monthly civil	590,-
- discounted quarterly civil	1 620,-
- discounted monthly for children (6-15)	290,-
Coupons for four zones:	
- discounted monthly civil	820,-
- discounted quarterly civil	2 240,-
- discounted monthly for children (6-15)	410,-
Coupons for five zones:	
- discounted monthly civil	1 020,-
- discounted quarterly civil	2 790,-
- discounted monthly for children (6-15)	510,-
Coupons for six zones:	
- discounted monthly civil	1 250,-
- discounted quarterly civil	3 420,-
- discounted monthly for children (6-15)	620,-



**Extra monthly coupons for outer zones
- special discounted**

type of ticket	price (in CZK)
Coupons for children from 6 to 15 years:	
- for one separate outer zone	80,-
- for two outer zones	125,-
- for three outer zones	215,-
- for four outer zones	305,-
- for five outer zones	380,-
- for six outer zones	465,-
Coupons for pupils and students from 15 to 26 years:	
- for one separate outer zone	170,-
- for two outer zones	260,-
- for three outer zones	440,-
- for four outer zones	615,-
- for five outer zones	765,-
- for six outer zones	940,-



Single tickets for outer zones - special discounted

type of ticket	price (in CZK)
Transfer tickets for children from 6 to 15 years:	
- allowing limited number of transfers	5,-
- for three follow-up zones 90 min.	7.50
- for four follow-up zones 120 min.	9,-
- for five follow-up zones 150 min.	11,-
- for six follow-up zones 180 min.	13.50
Transfer tickets for pupils and students from 15 to 26 years:	
- allowing limited number of transfers	10.50
- for three follow-up zones 90 min.	15,-
- for four follow-up zones 120 min.	18,-
- for five follow-up zones 150 min.	22.50
- for six follow-up zones 180 min.	27,-
Non-transfer tickets for 2 outer zones:	
- for children from 6 to 15 years	3,-
- for pupils and students from 15 to 26 years	6,-

These tickets are not valid on trains of the Czech railways excluding the following lines:
- 011 between Praha Masarykovo nádraží (Praha hl. n., Praha-Holešovice) – Pečky
- 060 between Poříčany – Sadská
- 070 between Praha-Vršovice – Praha hl. n. – Praha-Čakovice
- 091 between Praha Masarykovo nádraží (Praha hl. n.) – Kralupy nad Vltavou
- 093 between Kladno – Kladno-Ostrovec
- 120 between Praha Masarykovo nádraží (Praha hl. n.) – Kladno
- 122 between Praha hl. n. – Hostivice (on fast trains only)
- 171 between Praha hl. n. – Beroun
- 210 between Praha hl. n. – Vrané nad Vltavou – Davle and Vrané n. Vltavou – Měchenice
- 221 between Praha hl. n. – Senohraby
- 231 between Praha Masarykovo nádraží (Praha hl. n.) – Ostrá
- 232 between Lysá nad Labem – Milovice



Revenues from PT fares and outer zones

Share of revenues by ticket types

PT (zones P + 0)		
- revenues from season tickets + lump sums + PT tickets	1 750 879	54.65 %
- revenues from single tickets incl. ticket vending machines	1 314 617	41.03 %
- revenues from penalty fares	138 258	4.32 %
Total PT (zones P + 0)	3 203 754	100.00 %
Outer zones		
- revenues from single tickets incl. ticket vending machines	54 951	40.11 %
- revenues from extra season coupons	82 055	59.89 %
Total outer zones	137 006	100.00 %
Total PT (P+0) + outer zones	3 340 760	
Share of contractual operators in fare revenues	274 662	

Volume of total investment resources and costs

Volume of total investment resources (in '000 CZK)

Own resources	
Depreciation + deferred tax	2 696 943
Part of provision generated in previous years	232 830
Total own investment resources	2 929 773
Other resources	
Subsidy – state budget	420 000
Subsidy – budget of the City of Prague	4 636 641
Total other investment resources	5 056 641
Total volume of investment resources	7 986 414

Volume of total investment costs (in '000 CZK)

Metro development projects

Projects in progress	
Metro extension IV.B	143
Metro extension IV.C – stage I.	240 000
Metro extension IV.C – stage II.	2 788 462
Technical Center TC4	5 711
Hostivař Depot metro station	250 000
Projects in preparation	
Metro line D	200
Total investments in metro development	3 284 516



Metro development projects (table continued)

Other investment projects	
Escalator replacement	80 974
Development of tram tracks	54 586
Reconstruction of tram tracks	297 531
Reconstruction of cable network	361 128
Development and reconstruction of converting substations	199 874
Depots and central workshops	167 206
Garages and parking facilities	68 061
Metro safety control system	174 867
Total other investment projects	1 404 227
Fleet/rolling stock renewal	
Metro	
Reconstruction of cars	981 619
Acquisition of new cars - loan payment	285 064
Acquisition of new cars - 6 M1cars	554 589
Trams	
Added technical value to trams	356 189
Acquisition of new trams	22 592
Buses	
Reconstruction of buses	22 060
Acquisition of new buses	4 800
Total fleet/rolling stock renewal	2 226 913
Other investments in technical facilities	1 070 758
Total volume of investment costs	7 986 414

Profit & Loss Statement (full extent) as of 31. 12. 2005 (in whole '000 CZK)

Identification Number
00005886

Company
Dopravní podnik hl.m. Praha, akciová společnost

Registered office
**Sokolovská 217/42
190 22 Praha 9**

Item No.	TEXT	Data for the relevant accounting period	
		current	previous
a	b	1	2
I.	Revenues from sales of goods	7 394	8 734
A.	Costs in connection with sales of goods	6 709	8 187
+	Margin (I.-A.)	685	547
II.	Performance	4 247 532	3 854 910
II. 1.	Revenues from sales of own products and services	3 668 010	3 251 283
1.1.	Revenues from fares	3 202 502	2 841 770
1.2.	Other revenues	465 508	409 513
2.	Variations, in-house own production stock	256	1 007
3.	Capitalization	579 266	602 620
B.	Production consumption	4 666 246	4 692 305
B. 1.	Material and energy consumption	2 742 205	2 705 671
2.	Services	1 924 041	1 986 634
2.1.	Maintenance and repairs	595 219	722 764
2.2.	Other services	1 328 822	1 263 870
+	Value added (I.-A.+II.-B.)	-418 029	-836 848
C.	Personnel costs	4 923 308	4 702 918
C. 1.	Wage costs	3 454 766	3 302 445
2.	Remuneration paid to members of company and corporate bodies	2 434	2 706
3.	Social welfare and health insurance costs	1 225 572	1 172 172
4.	Social costs	193 782	194 535
5.	Costs of pension insurance	46 754	31 060
D.	Taxes and charges	59 248	71 311
E.	Depreciation of tangible and intangible fixed assets	2 305 024	2 233 513
III.	Revenues from sales of fixed assets and materials	806 833	155 486
III. 1.	Revenues from sales of fixed assets	585 910	19 158
2.	Revenues from sales of materials	220 923	136 328



Item No. a	TEXT b	Data for the relevant accounting period	
		current 1	previous 2
F.	Net book value of fixed assets and materials sold	694 948	124 722
F. 1.	Net book value of fixed assets sold	488 639	6 155
2.	Materials sold	206 309	118 567
G.	Settlements of operating reserves and adjustments and complex deferred costs	-77 792	-875
IV.	Other operating revenues	8 371 420	8 293 315
IV. 1.	Subsidy for cost coverage	8 136 846	8 015 576
2.	Other operating revenues	234 574	277 739
H.	Other operating costs	303 670	252 909
*	Operating profit/loss	551 818	227 455
VII.	Return on long-term financial assets	16 504	11 494
VII. 1.	Return on interests in controlled and managed entities and accounting units under substantial influence	16 504	11 494
X.	Interest from revenues	28 003	33 159
N.	Interest from costs	223 113	162 132
XI.	Other financial revenues	23 062	92 757
O.	Other financial costs	4 355	2 885
*	Profit/loss resulting from financial transactions	-159 899	-27 607
Q.	Tax on income from ordinary activities	391 919	199 848
2.	-deferred	391 919	199 848
**	Profit/loss resulting from ordinary activities	0	0
XIII.	Extraordinary revenues	267	4 057
R.	Extraordinary costs	410 068	722 340
*	Extraordinary profit/loss	-409 801	-718 283
***	Profit/loss for the accounting period (+/-)	-409 801	-718 283
****	Profit/loss before taxes	-17 882	-518 435

Drawn on (date):
16. 2. 2006

Legal form of the accounting unit:
incorporated company

Subject of business activity:
**Public transport operation
and other activities**

Signature of the statutory body
of the accounting unit

Balance Sheet (full extent) as of 31. 12. 2005 (in whole ‘000 CZK)

Identification Number
00005886

Company
Dopravní podnik hl.m. Prahy, akciová společnost

Registered office
Sokolovská 217/42
190 22 Praha 9

Item No. period a	ASSETS b	Current accounting period			Previous accounting
		Gross 1	Correction 2	Net 3	Net 4
	TOTAL ASSETS	109 164 416	-23 223 049	85 941 367	84 086 769
A.	Receivables from capital subscription	0	0	0	0
B.	Fixed assets	105 479 031	-23 106 216	82 372 815	80 353 788
B. I.	Intangible fixed assets	405 158	-330 190	74 968	65 070
3.	Software	349 384	-319 659	29 725	17 064
4.	Assessable rights	6 482	-6 482	0	1 028
6.	Other intangible fixed assets	24 506	-4 049	20 457	19 679
7.	Unfinished intangibles	22 715	0	22 715	23 940
8.	Advances on intangible fixed assets	2 071	0	2 071	3 359
B. II.	Tangible fixed assets	104 822 104	-22 776 026	82 046 078	80 039 312
B. II. 1.	Land	3 455 795	0	3 455 795	4 252 848
2.	Buildings	47 656 966	-9 677 022	37 979 944	36 435 406
3.	Individual property items and property sets	28 467 875	-13 099 004	15 368 871	15 704 492
6.	Other tangible fixed assets	34 675	0	34 675	35 433
7.	Unfinished tangibles	24 206 199	0	24 206 199	21 827 950
8.	Advances on tangible fixed assets	1 000 594	0	1 000 594	1 783 183
B. III.	Financial assets	251 769	0	251 769	249 406
B. III. 1.	Interests in controlled and managed entities	161 844	0	161 844	162 691
2.	Interests in accounting units under substantial influence	89 925	0	89 925	86 715



Item No. period a	ASSETS b	Current accounting period			Previous accounting Net 4
		Gross 1	Correction 2	Net 3	
C.	Current assets	3 609 317	-116 833	3 492 484	3 690 031
C. I.	Inventories	535 637	0	535 637	512 575
C. I. 1.	Material	479 830	0	479 830	489 824
	2. Unfinished production and semi-finished articles	1 832	0	1 832	1 576
	5. Goods	2 685	0	2 685	1 900
	6. Advances on inventories	51 290	0	51 290	19 275
C. II.	Long-term receivables	679 703	0	679 703	561 529
C. II. 1.	Trade receivables	677 796	0	677 796	558 479
	5. Long-term advances allocated	1 370	0	1 370	2 629
	7. Other receivables	537	0	537	421
C. III.	Short-term receivables	1 161 449	-116 833	1 044 616	1 383 548
C. III. 1.	Trade receivables	538 743	-116 225	422 518	399 737
	6. State – tax receivables	504 438	0	504 438	855 319
	7. Short-term advances allocated	73 534	0	73 534	81 306
	8. Contingent accounts, active	32 242	0	32 242	33 935
	9. Other receivables	12 492	-608	11 884	13 251
C. IV.	Short-term financial assets	1 232 528	0	1 232 528	1 232 379
C. IV. 1.	Cash	17 788	0	17 788	19 734
	2. Bank accounts	1 214 740	0	1 214 740	1 212 645
D. I.	Accruals and deferrals	76 068	0	76 068	42 950
D. I. 1.	Deferred expense	76 068	0	76 068	42 950



Item No.	LIABILITIES	Status – current accounting period	Status – previous accounting period
a	b	5	6
	TOTAL LIABILITIES	85 941 367	84 086 769
A.	Capital stock	60 067 441	60 814 336
A. I.	Registered capital	30 726 125	30 726 125
A. I. 1.	Registered capital	30 726 125	30 726 125
A. II.	Capital funds	30 976 992	31 314 086
2.	Other capital funds	30 914 577	31 254 035
3.	Difference in valuation resulting from overvaluation of assets and liabilities	62 415	60 051
A. IV.	Profit/loss – previous years	-1 225 875	-507 592
2.	Outstanding loss – previous years	-1 225 875	-507 592
A. V.	Profit/loss – current accounting period (+-) 0	-409 801	-718 283
B.	External resources	25 249 238	22 824 067
B. I.	Provisions	0	100 000
B. I. 1.	Provisions based on special legal regulations	0	100 000
B. II.	Long-term liabilities	3 189 934	2 797 923
B. II. 1.	Trade liabilities	606	779
5.	Long-term advances received	755	490
10.	Deferred tax liability	3 188 573	2 796 654



Item No.	LIABILITIES		Status – current accounting period	Status – previous accounting period
a	b		5	6
B. III.	Short-term liabilities		17 997 143	15 650 185
B. III. 1.	Trade liabilities		1 452 678	1 591 041
5.	Liabilities towards employees		19 026	23 389
6.	Liabilities resulting from social welfare and health insurance		144 336	138 412
7.	State – tax liabilities and subsidies		16 042 225	13 612 846
7.1.	State – tax liabilities		42 523	39 998
7.2.	Subsidies		15 999 702	13 572 848
8.	Short-term advances received		94 704	66 346
10.	Contingent accounts, passive		22 170	7 701
11.	Other liabilities		222 004	210 450
B. IV.	Bank loans and financial assistance		4 062 161	4 275 959
B. IV. 1.	Long-term bank loans		3 777 097	3 990 895
2.	Short-term bank loans		285 064	285 064
C. I.	Accruals and deferrals		624 688	448 366
C. I. 1.	Deferred expenses		56 961	153
2.	Accrued income		567 727	448 213

Drawn on (date):
16. 2. 2006

Legal form of the accounting unit:
incorporated company

Subject of business activity:
**Public transport operation
and other activities**

Signature of the statutory body
of the accounting unit





list of abbreviations

PPT Co. Inc.	Prague Public Transit Co. Inc.
PT	public transport
PIT	Prague Integrated Transport
SBS	substitute bus services
UITP	Union Internationale des Transports Publics (International Association of Public Transport)
ROPID	Regional Organizer of Prague Integrated Transport
RATP	Régie Autonome des Transports Parisiens (transport undertaking, Paris)
SPŠD, SOU a U, a. s.	Transport Technical College, Secondary Vocational Training Centre and Apprentice Training Centre
IDS a. s.	Transport Constructions Engineering Co. Inc.
T+E	technical and economic staff
P+R	Park & Ride parking facility
CYQUAL	Cycle of Quality (quality club of European transport undertakings)
EU	European Union



auditor's report

A&CE

**Auditor's Report
on Audit of Annual Financial Statements as of 31. 12. 2005
for the Board of Directors and shareholders of the company**

We have audited the attached annual financial statements for the period from 1 January 2005 to 31 December 2005 of Dopravní podnik hl. m. Prahy, akciová společnost, Identification No. (IČ) 00 00 58 86, with its registered office at Sokolovská 217/42, 190 22, Praha 9, identified in the annual financial statements. The main subject of business activity of the company is operation of public passenger transport within the territory of the Capital City of Prague.


The Board of Directors of the company is responsible for accounting records, accuracy, traceability and correctness of data and for compiling the audited financial statements. Our task is to submit our opinion on these financial statements based on our audit.

The audit has been conducted in accordance with Act No. 254/2000 Coll. on Auditors and in compliance with International Accounting Standards and related applicable regulations of the Chamber of Auditors of the Czech Republic. These standards require that the audit is planned and performed so that the auditor acquires adequate certainty that the annual financial statements do not contain any fundamental flaws. The audit includes random verification of completeness and provability of figures and information indicated in the financial statements. The audit also includes an assessment of accuracy and adequacy of the applied accounting principles and important estimates made by the company and assessment of the overall presentation of the annual financial statements. We are convinced that the performed audit provides a reasonable basis for the expression of a statement.

Auditor's Statement

In our opinion, the annual financial statements in all material aspects provide a true and fair picture of the assets, liabilities and financial situation of Dopravní podnik hl. m. Prahy, akciová společnost, as of 31 December 2005 and costs, revenues and profit/loss for 2005 in accordance with accounting standards applicable in the Czech Republic.

In Prague, 10 March 2006


Ing. Zdeněk Rabas
Auditor
Certificate of the Chamber of Auditors
of the Czech Republic No. 647
Responsible for Submission of the Report




A&CE Auditoři a znalci Praha, spol. s r.o.
(Auditors and Experts)
Praha 4, Bělehradská 17
Certificate of the Chamber of Auditors
of the Czech Republic No. 157
Ing. Rostislav Otřísal, CSc.
Auditor and Executive



Annual Report 2005

Prague Public Transit Co. Inc.
Sokolovská 217/42, 190 22 Praha 9
Identification No.: 0000 5886
Tax registration No.: CZ 0000 5886
Telephone: +420 296 191 111
Internet: www.dpp.cz
e-mail: dpp@dpp.cz

Edition
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Bc. Daniela Tůmová

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Auditor's Report on the Audit of Financial Statements as of 31/12/2005
and Report on Relation between Interrelated Parties

