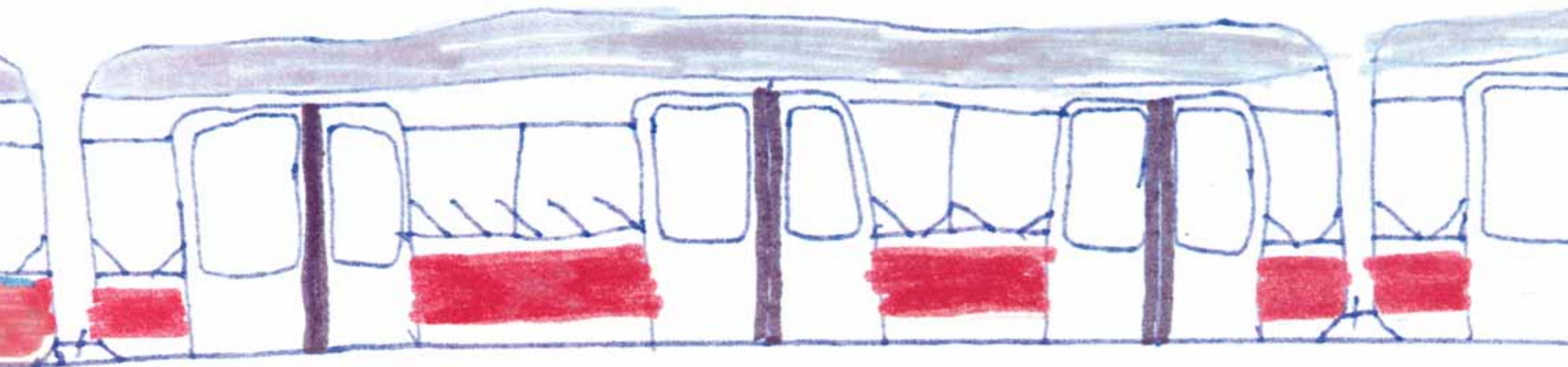


## Annual Report 2006

The children's drawings are from the contest "Draw Municipal Transport" organised in May and June 2006 in three categories for children up to 15 years of age; more than 200 children participated.





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# Introductory Word of the Chairman, Board of Directors

It is indeed a pleasure to present the 2006 Annual Report of Dopravní podnik hl.m. Prahy, akciová společnost (referred to hereinafter as “Dopravní podnik”); the Report covers a relatively peaceful period where however a number of projects took place, important for maintaining the position of municipal mass transport in the Prague Capital. It is gratifying that development of the Prague municipal transport system continued unabated. Since end of May passengers may use the already 54th Metro station, Depo Hostivař, which will assist future development of the Prague eastern sector. Construction of Metro line C extension at Prosek and the southern part of Letňany continued as scheduled.

In addition to Metro construction proper the plan to make most Metro stations accessible to handicapped persons is in progress. In this respect we have experienced an important step forward: two of the three interchange stations of the Prague Metro are already accessible to this group of passengers, and in 2007 we shall start work on making accessible the last of them, Můstek.

Installing lifts at Metro stations is a quite expensive undertaking and our thanks are due to the Prague municipality. The City of Prague has supported municipal transport by one third of its budget, thus clearly indicating its priorities.

During its more than thirty years of existence Prague Metro has earned high credit of all inhabitants and visitors. Plans for its further development are in preparation; designers work on extension of Metro line A to the Ruzyně Airport and on the projected new Line D from Písnice to the Central Railway Station.

In the new millennium we have started substantial renovation of the rolling stock and the bus fleet. Also in this connection the year 2006 represented an important step. More and more low-floor vehicles are seen in Prague streets - they involve brand new trams 14T as well as reconstructed articulated tram cars in which a central, low-floor element has been added, and a novelty - T3 trams with “low floor” at the central door. All offer new quality in particular to handicapped passengers.

At the end of 1994 the first low-floor bus appeared in the streets of the Prague Capital. Twelve years later 60 percent of Metro stations are already

barrier-free; 30 percent low-floor buses are in operation and more than ten of low-floor trams are now available, all demonstrating the transformation experienced by the municipal transport system towards higher quality and harmonisation with European standards. Increasing accessibility ranks among our main objectives in the coming years.

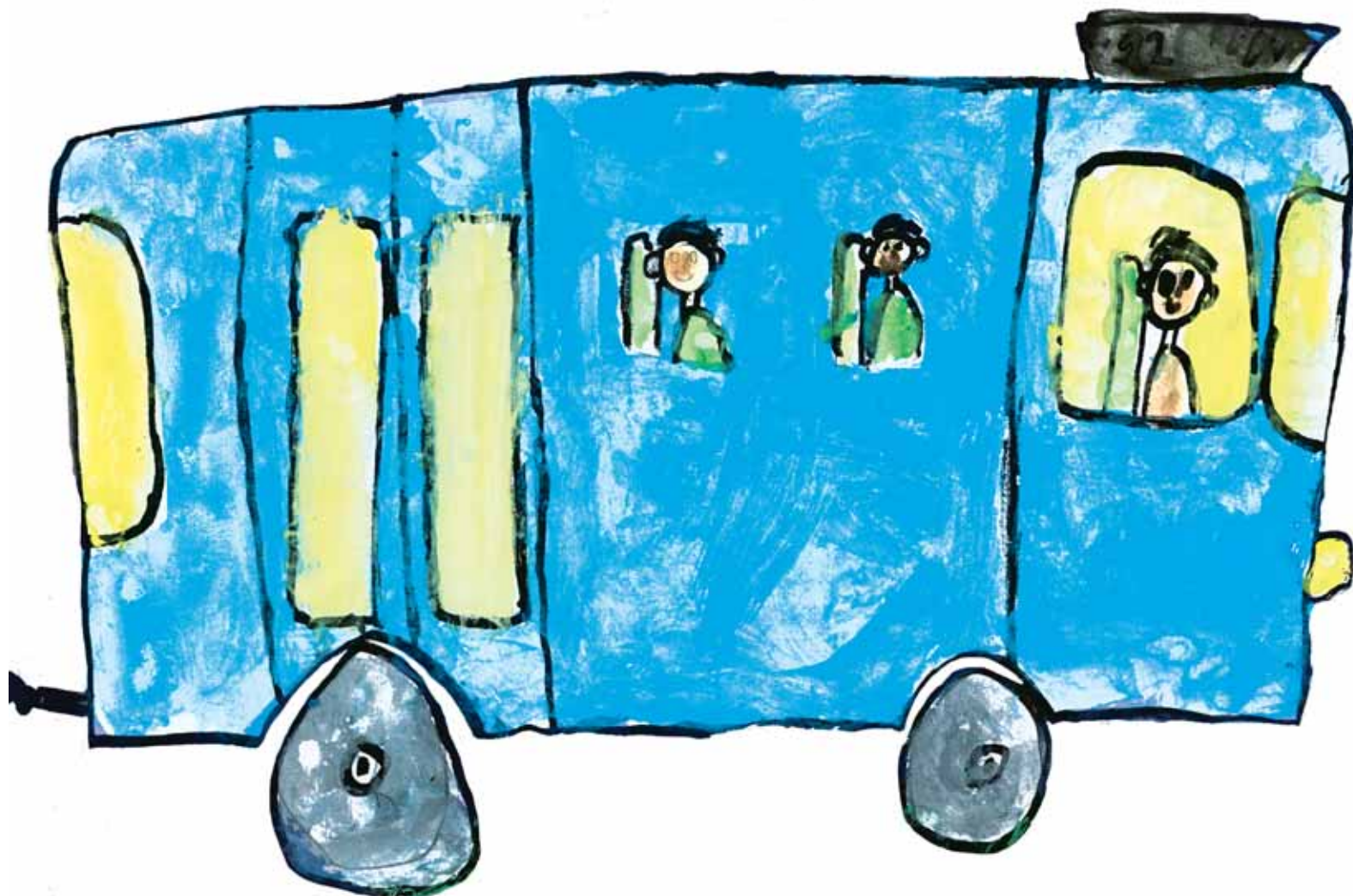
2006 will be known as the third year of the Transformation Project, a year in which all organisational changes in the new structure have been finalised and work on an optimisation process started, a process aimed at monitoring whether all work proceeds at minimum cost and with maximum quality. Optimisation of all activities of Dopravní podnik represents our major task for the foreseeable future to ensure that Dopravní podnik retains its competitiveness on the European market of municipal mass transport.

Allow me to thank all employees of Dopravní podnik for their work in 2006, work that enabled us to fulfil all tasks we planned at the year's beginning.



**Radovan Šteiner**





# Introductory Word of the General Manager

## Dear shareholders, dear collaborators, dear passengers,

Annual Report always represents an opportunity to look back with the necessary detachment. The words you now read did not originate in the first days of January but several weeks later, at a moment when we looked back from a distance and our memory retained the most important, mostly favourable impressions. We easily forget troubles and problems that we managed to resolve.

Internal life of Dopravní podnik was in 2006 closely connected with completion of organisational changes effected as a part of the Transformation Project. Departments working under the new organisational structure have either launched or continued a never-ending optimisation process. The situation around us compels us closely to monitor all activities in order to preserve our competitiveness on a permanently expanding public transport market. Several years ago we were perhaps able to brush aside our competitors but today we are more and more compared with them, not only in the Czech Republic but in Europe as a whole as well. Municipalities tend to consider carefully their expenditures. Municipalities of Czech and European cities urge the carriers to increase their efficiency and this trend applies to us as well. The optimisation process initiated in 2005 must be therefore monitored very carefully. We have to reconsider repeated activities to discover reserves or to propose new and better processes to be taken up by the new departments.

All such steps are necessary. The attitude on the part of our owner - the City of Prague - is clear: find savings in every activity. In order to maintain viability of the firm in a situation when there are no funds to spare, managers at all levels should thus demonstrate their initiative and active approach.

It is gratifying that the work has already brought about positive results. Despite fluctuations experienced during the year the planned economic results were attained thanks to the efforts exercised by employees at all levels.

The long-term social peace we have managed to maintain in co-operation with the trade union organisations represents a positive feature for trouble-free functioning of Dopravní podnik. The collective bargaining for 2007 that

took place in the fall of 2006 was not easy, but we managed to complete it before the year's end, a fact I consider a major success. In 2007 the optimisation process can thus continue in a favourable and creative environment.

We have agreed on continuation of the trend comprising gradual reduction in the number of employees, started already in 2004. Since that time the payroll was reduced by more than 500 jobs; the recorded reduction is however 400 since the number of drivers rose by more than one hundred with the ensuing reduction in overtime work. Recent indicators demonstrate the correctness of that approach.

2006 demonstrated that Dopravní podnik can deal with difficult problems; accordingly, I am confident that we shall be equally successful in 2007, a year in which funds will be more restricted still.

I wish to thank all employees for their work in 2006. At the beginning of the Transformation Project organisational restructuring carried out in a manner ensuring that it is not noticed by the customer ranked among the most important tasks. After Project completion we can confidently register success, a good signal for the future where other demanding tasks loom.



Tomáš Jílek



## Fundamental Characteristics

**Company name:** Dopravní podnik  
hl. m. Prahy, akciová společnost

Registered office: Sokolovská 217/42, 190 22 Praha 9

Ident. No. ("IČ"): 00005886

Tax Ident. No. ("DIČ"): CZ00005886

Date of establishment: 1 September 1897

Present legal form: joint-stock company

Founder: City of Prague

Registered capital owners: City of Prague, 100 %

Incorporation: Dopravní podnik hl. m. Prahy was entered in the Companies' Register administered by Municipal Court in Prague, Ref. No. B 847, on 11 July 1991

Registered capital: CZK 30,726,125,000



# Table of Organisation

## General Manager

### GM Division

PR unit  
GM Office Department  
Legal Department  
Internal Audit and Control Department  
Department of Strategy and Management  
Investments Department  
Construction Department  
Transformation Project Department

### Personal Division

Personnel Strategy Department  
Employees Department  
Social Care Department  
Education and Training Department

### Security Division

Emergency Management and Planning Department  
Fire Brigade

## Board of Directors

### Transport Division

Operations Preparation Department  
Marketing and Information Service Department  
Ticket Inspection Department  
Operations Management and Control Department  
Timetable Department  
**Metro Operation Unit**  
**Tram Operation Unit**  
**Bus Operation Unit**

### Division of Commerce and Economy

Financing Department  
Special Analyses and Controlling Department  
Ticket and Revenues Department  
Managerial Economy Department  
Accounting Department

## Supervisory Board

### Technical Division

Department of Energy  
Technical Supervision Department  
**Metro Rolling Stock Administration Unit**  
**Tram Rolling Stock Administration Unit**  
**Bus Fleet Administration Unit**  
**Metro Transport Way Unit**  
**Tram Transport Way Unit**

### Services Division

Archiving Department  
**IT Unit**  
**Internal Transport Unit**  
**Supply Unit**  
**Immovable Assets Administration Unit**  
**Excursions Unit**  
**Historical Vehicles Unit**

**Note:** As of 31 December 2006

## Board of Directors

**Radovan Šteiner** – Chairman  
**JUDr. Petr Hulinský** – Deputy 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

## Supervisory Board

**Ing. Martin Hejl** – Chairman  
**Jiří Čada** – Deputy Chairman\*  
**Mgr. Rudolf Blažek** – member  
**František Kadlec** – member  
**Ing. Jiří Kaňák** – member  
**Prof. Ing. Petr Moos, CSc.** – member  
**Jiří Obitko** – member\*\*  
**Jan Štrof** – member  
**Petr Zajčec** – member

\* Since 18 January 2006; Jiří Šindelář prior to 11 January 2006

\*\* Since 11 January 2006; Jiří Šindelář prior to 11 January 2006

## Management

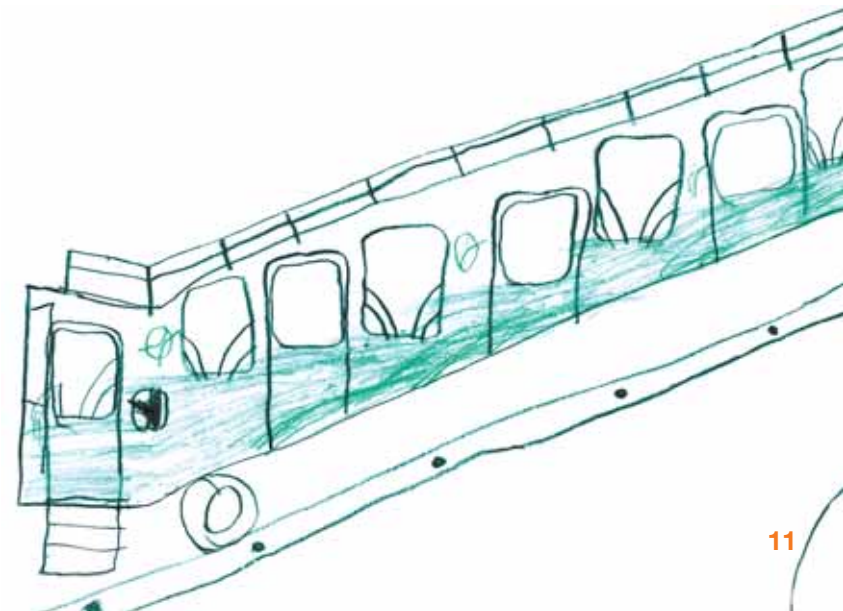
**Ing. Tomáš Jílek** – General Manager  
**Ing. Petr Blažek** – Transport Director  
**Ing. Jiří Bezdíček** – Technical Director  
**Ing. Petr Smolka** – Director, Services Division  
**Ing. Václav Pomazal, CSc.** – Director, Division of Commerce and Economy  
**Ing. Jaroslav Ďuriš** – Personnel Director  
**RSDr. Antonín Fedorko** – Director for Security  
**Ing. Ladislav Špitzer** – Director in Charge of the Transformation Project





# List of Events

- |                      |  |                     |   |
|----------------------|--|---------------------|---|
| <b>1 January</b>     | Fundamental organisational changes within the framework of the Transformation Project completed; reconstruction of fundamental information systems in support of management under the new organisational scheme. | <b>3 September</b>  | After a three-month comprehensive reconstruction the operation of Petřín funicular was resumed.   |
| <b>13 January</b>    | 2nd Centre of Transport Information opened at the new terminal North 2, Ruzyně Airport   | <b>17 September</b> | Dopravní podnik acted as a major partner in the event 'Day without Cars' organised as a part of the European Mobility Week; a traditional visiting day was organised at the Hostivař area |
| <b>14 March</b>      | Certificate of competency granted to tram type 14T; at the end of March tram car Reg. No. 9111 handed over to the Dopravní podnik for use.   | <b>23 September</b> | Dopravní podnik hosted an international contest "Tram Drivers' Skill".  |
| <b>26 May</b>        | 54th Metro station "Depo Hostivař" opened for the public.  | <b>26 September</b> | 7th Centre of Transport Information opened at the City Hall of Prague Municipal Office, Jungmannova St.   |
| <b>13 to 15 June</b> | Dopravní podnik attended the Public Transport Saloon in Paris, the renowned meeting of European public transport carriers.   | <b>30 October</b>   | Realisation stage of the Transformation Project officially declared completed.  |
| <b>17 June</b>       | Dopravní podnik again acted as partner in Prague Museum Night, a renowned Prague cultural event attended by some 150 thousand visitors.  | <b>14 December</b>  | Metro station Florenc, line B, made barrier-free.   |
| <b>19 June</b>       | The Metro Operation Unit was certified for public passenger transport on line C under the standard ISO 9001 as the first in Dopravní podnik.   |                     |   |
| <b>18 July</b>       | Completion of barrier-free access to already 31st Metro station - Vltavská, line C.  |                     |   |





# Transformation Project

The management adopted a strategic solution to Company transformation in November 2003. A model of management comprising relatively autonomous economic units, proposed by the consultants, CS- PROJECT, s.r.o., was selected as its base. The latter firm became the main expert sponsor of the extensive Transformation Project; under the Project major strategic changes took place in 2004 to 2006, including extensive reorganisation of the Company aimed at enhanced efficiency.

The realisation stage of the Transformation Project started in March 2004 and was completed at the end of October 2006. Specific operating and organisational changes proceeded in the following main stages:

**1 October 2004** Transformation of the Bus Division - the units Bus Operation and Bus Fleet Administration were established;

**1 January 2005** Transformation of the Tram Division - the units Tram Operation, Tram Rolling Stock Administration and Tram Transport Way established together with combined units Information Technology and Internal Transport; activities involving preparation of operations, assets protection, health and safety at work and fire prevention were combined;

**1 April 2005** processes in financial management and accounting were combined;

**1 July 2005** Stage 1 of Metro Division transformation; the unit Metro Rolling Stock Administration established together with a services department (part of the existing Information Technology Department and Internal Transport Unit and of the newly established Excursions Unit);

**1 October 2005** Stage 2 of Metro Division transformation - units Metro Operation and Metro Transport Way established;

**1 January 2006** fundamental organisational changes within the framework of the Transformation Project were completed; reconstruction of fundamental information systems in support of the new organisational and process arrangement. In this connection twelve balancing days were organised between January and April 2006, aimed at verification and confirmation of suitability of adopted transformation measures and discovery of potential discrepancies or defects in realisation. No need to revise the concept was revealed. Problems or proposed improvements represented minor changes in the proposed modifications or were of purely operating character.

In 2006 the Company managed to launch Service Level Agreements - SLA, which substantially contributed to increased efficiency and a more formal character of horizontal relationships between individual units and enhanced the efficiency of internal capacity realisation.

During the final stages of the Transformation Project work on the remaining subprojects was completed and so was combination of individual processes and activities; the last organisational changes were realised.

In 2006 a number of optimisation activities took place in individual departments. Economy measures were prepared by the relevant managers in the form of subprojects, sponsored by the corresponding directors.

The base objective of the transformation process comprises achievement of permanent savings with only absolutely necessary and non-recurring costs. The total net benefit of the transformation in 2005 and 2006, after subtraction of the associated cost, reached almost CZK 210 million; personal costs achieved owing to reduced numbers of auxiliary professions were mostly involved.

2004 through 2006 was a complicated period of fundamental organisational changes in Dopravní podnik; especially the combined departments experienced significant changes in routine processes and relationships. These naturally brought about a number of complications and, accordingly, various problems had to be solved. Thanks to the dedicated efforts of employees at all levels the period was overcome without any material adverse effects on the Company's core business - municipal mass transport.

From the very beginning of the realisation stage the management devoted considerable attention to mutual collaboration and communication with the trade union organisations. Their representatives played an important role in the transformation of the Company primarily by providing the necessary feedback.



# Investments

In 2006 Dopravní podnik invested CZK 9,315.8 million, of which CZK 3,438.6 million from own resources; subsidies from the state budget amounted to CZK 496.7 million, subsidies from the EU Structural Funds amounted to CZK 111.2 million and subsidies from the City of Prague budget CZK 5,396.2 million. The sum total invested was CZK 9,442.7 million; subsidies received to pay invoices from preceding years amounted to CZK 126.9 million.

The state contributed CZK 420 million to the cost of construction of part 2 of Metro line C, IVth segment (Ládví - Letňany); CZK 20.7 million to acquisition of 9 low-floor buses, and the sum of CZK 56 million (of which the amount of CZK 47.9 million was used to settle the invoices from the previous years) to projects co-financed from the EU Structural Funds.

Using a subsidy from the City of Prague budget the Company drew the balance of the credit of CZK 95.9 million granted by the European Investment Bank for construction of part 1 of the IVth segment of Metro line C (Holešovice Railway Station - Ládví). CZK 21.6 million was used to pay invoices from preceding years in connection with projects incorporated in the Joint Programming Document, Objective 2.

A substantial part of available funds was used to reconstruct and modernise the rolling stock and the bus fleet. CZK 377 million was used to purchase new Metro coaches, CZK 895 million to purchase new tram cars, CZK 245 million for the purchase of new buses. CZK 503 million was used to reconstruct buses and trams. An instalment of CZK 285 million was made towards repayment of credit granted to purchase 20 new Metro coaches prior to 2004.

Continuing construction of Part 2 of the IVth segment of Metro line C (Ládví - Letňany) and completion of Metro station Depo Hostivař ranked among the most important investments in 2006. The tram track in the segment Ohrada - Intersection was reconstructed and so was stage 1 of tram track Koněvova - Vápenka including the reversing loop; stage 2 is scheduled for 2007. Other major projects included barrier-free access to Metro station Florenc B, co-financed by the EU, and rehabilitation of the retaining walls at the Petřín funicular.

## EU Structural Funds

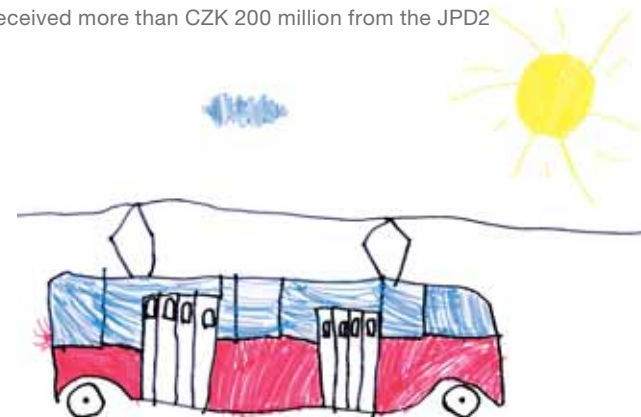
To obtain funds for financing investment projects Dopravní podnik in 2006 made use of financial support provided from the European Structural Funds, in the programming period that ended in 2006 via the Joint Programming Document, Objective 2 (referred to hereinafter as JPD 2). The next programming period 2007 – 2013 will refer to projects in some selected segments of the City of Prague (Prague 1, 8, 9, 12, 14, 15 and some municipalities).

Financial assistance is provided pursuant to a contract concluded with the Ministry for Regional Development after completion of either the entire project or a project stage; in Measure 1.1 it may reach up to 50 % from the Structural Funds, 33.1 % from the state budget, and 16.9 % from the City of Prague budget.

Dopravní podnik filed applications requesting assistance from the JPD2 for five investment projects within Priority 1 (Revitalisation and Development of Urban Environment) under Measure 1.1 (Transportation Systems in Support of Urban Environment Transformation). The following projects are concerned (eligible costs in CZK million in parentheses):

- lifts in Metro Station Florenc B - barrier-free access (59.6)
- reconstruction of tram track Sokolovská (114.2)
- modernisation of the cable network Klárov - Štefánik Bridge (99.7)
- Petřín funicular - retaining walls rehabilitation (52.6)
- implementation of active preferences to bus and tram traffic at some selected traffic lights (54.5)

In 2006 Dopravní podnik received more than CZK 200 million from the JPD2 programme.



## Transport System

Three Metro lines were operative in 2006: A, B, and C. On 26 May 2006 Metro station Depo Hostivař on line A was commissioned, the number of stations thus reached 54 and the overall length of Metro lines increased to 54.9 km. The tram network did not experience any permanent changes. 26 day and 9 night tram lines operated on a network 140.85 km long. During the main tourism season, between 1 April and 17 November, a nostalgic tram line was operated on Saturdays, Sundays and bank holidays. At the end of August tram traffic, suspended for two previous years, was re-established in the segment Ládví - Ďáblice residential area. Among projects involving tram tracks one should mention reconstruction of the intersections Ohrada and Vápenka and the abutting segments of Jana Želivského St. and Koněvova St.; replacement of a part of rails at Klárov and at the Jana Želivského St. - Vinohradská St. intersection.

No fundamental changes affected the bus transport. On 26 February 2006 line 169 was commissioned and line 357 re-commissioned. In connection with the extension of Metro line A to the Hostivař Depo station, lines 163, 228, 229, 264, 265, 266, 268, 329 and 364 were curtailed to end at that station and line 146 was commissioned starting on 28 May. At the beginning of October a boost line 134 started operation; as of 11 December the night line 514 was decommissioned. At the year's end Dopravní podnik operated on a network 817 km long within the framework of the Prague Integrated Transport System 145 day municipal lines, 19 suburban lines, 16 school lines, 13 night lines and two lines earmarked for handicapped persons. The total length of all 195 lines was 2,123.4 km.

## Transport Performance

The total transport volume of urban and suburban lines incorporated in the Prague Integrated Transport System operated by Dopravní podnik, including the special transport devoted to handicapped persons, reached 158,185,000 vehicle-kilometres (v-km). The volume of transport expressed in place-kilometres (p-km) was 19,407,397,000 p-km. Compared with

2005 the former increased by 0.52 %, the latter by 0.58 %. The volume of transport increased in 2006 in connection with the extension of Metro line A to the Hostivař Depo station.

## Services Provided to Handicapped Persons

Out of the sum total of 54 Metro stations 32 stations now offer barrier-free access. In 2006 barrier-free access was enabled at stations Florenc B, Vltavská and Depo Hostivař.

To facilitate orientation of blind passengers acoustic signals have been installed at entries to all Metro stations; at individual platforms guide seams are gradually provided.

Measures that facilitate orientation of blind persons include receivers installed in all trams and buses; by means of remote controllers they invoke an external message informing about the number and route of the approaching conveyance and may confirm potential interest in boarding.

The bus fleet was in 2006 extended by additional 10 low-floor vehicles Citybus manufactured by Karosa-Renault. The total number of low-floor buses in operation is 391, all with tilting platforms for wheelchairs installed at the central door. Low-floor buses were guaranteed to operate on 90 regular lines; only such buses operated on 10 lines. Two special bus lines earmarked for handicapped persons have been in regular operation.

Dopravní podnik at present owns 5 new, low-floor articulated tramcars type 14T made by Škoda Transportation, out of the total number of 60 ordered.

Modernisation of existing articulated tram cars type KT8D5 has been initiated, where the central part is replaced by a new, low-floor element. 10 such reconstructed cars are already in operation.

## Preferential Traffic Treatment Given to Municipal Transport

In collaboration with the City of Prague authorities, the traffic component of the Czech Police, the engaged designer, the firm Inženýring dopravních

staveb Praha, a.s., and other subjects, work continued in 2006 on a project entitled "Project of Traffic Preferences to Prague Municipal Transport". In connection with trams attention focused on installation of longitudinal separating sills between the rail zone and the roadway and on modification of the traffic signals offering traffic preference to trams. The former measure is based on assumptions contained in the aforementioned project and conforms to investment and reconstruction work co-ordination. The longitudinal separating sills along rail zones were installed in five segments of overall length of 375 metres. In 2006 traffic light signals offering preference to trams were installed at six intersections. In connection with bus transport development of traffic preferences focused on extension of the so-called active preference offered to buses at intersections with traffic lights; traditional approaches (like, e.g. establishment of separate lanes for buses) have stagnated primarily owing to gradual depletion of potentially suitable sectors and localities. In 2006 mobile components of the traffic preference system were installed in additional 130 buses (the sum total thus increased to 286), and the fixed components of the system were installed at 13 intersections. The trend concerning traffic preferences offered to trams and buses continues. The measures gradually implemented positively influence the traffic flow in public transport. As part of the City of Prague transport policies they improve the quality and competitiveness of municipal transport vis-à-vis individual transport.

### Ticket Inspection

In 2006 the number of inspectors was raised by 30 % and reached 150. The number of inspections increased accordingly and so did the number of passengers controlled and the number of fines levied to passengers travelling without a valid ticket. The time extent of territory served was also raised. Act No.111/1994 Coll. was amended, at instigation of the Association of Czech Public Transit Carriers, so that the carrier, to be able to propose initiation of proceedings for payment of the fare and the levied fine, may

demand additional or more detailed personal data and, for persons below the age limit of 18 years, personal data of the legitimate representative directly from the citizen records information system.

Co-operation between ticket inspectors, the Municipal Police and the Czech Police, traditionally very good, improved further. As a result 160 joint control events were organised (up by 62 % on the year earlier) in Metro, the surface transport and, primarily, in night tram and bus lines.

Co-operation with the law office Brož&Sokol&Novák continued in enforcement of transport-related claims and, as a result, revenues from enforced fines have increased substantially. Ways how to reduce the cost of future co-operation are sought.

Number of fines levied	The associated revenue
258,859	CZK 108,274,189
+ 3.8 % on 2005	+11.7 % on 2005

### Transportation Surveys

Operation of the established system of transportation surveys focusing on municipal transport continued. Territorial transportation surveys of the bus network were undertaken in southern and eastern part of Prague (including some abutting regions) in connection with 109 lines representing some 46 % of all bus lines of the urban and suburban transport system.

### Accident Rate

In 2006 the accident rate increased by 2.9 % on 2005, i.e., by 77 accidents (2,725/2,648).

The number of accidents in Metro operation was the same as in 2005 (21); in the tram sector it decreased by 75 (1,438/1,513) but in the bus sector increased by 152 (1,266/1,114).

The number of accidents attributed to Dopravní podnik staff increased by 5 % on 2005, i.e., by 40 % (835/795), of which Metro operation exhibited

a rise by 2 accidents (11/9), tram operation registered a reduction by 36 accidents (199/235), but in the bus sector there was a rise of 74 accidents (625/551). 7 persons were killed in accidents involving Dopravní podnik vehicles, less by 8 than in 2005 (2/6 in Metro operation, 3/9 in tram operation, and 2/0 in connection with buses). Increased level of alcohol in blood was not revealed in Dopravní podnik employees in connection with traffic accidents.

## Marketing

Marketing activities focused on several fundamental areas. Marketing supports the position of Dopravní podnik in the mass transport sector in Prague by promotion of services and products, organisation of and participation in all-Prague events, preparation of leaflets and brochures informing about news and offers not only of Dopravní podnik but of the Prague Integrated Transport System in its entirety. All materials target the general public. An in-house periodical is being supplemented by more specific, informative publications that have found regular customers among the passengers.

Company websites at the address [www.dpp.cz](http://www.dpp.cz) maintain their favoured status and are visited by more than 500,000 satisfied customers each month.

## Information Service

Materials are regularly edited informing about the network, tariffs and tickets or providing topical information about changes in Prague municipal transport. Passengers encounter them in printed form in display cases installed at Metro stations, tram and bus stops, and in individual vehicles. Other printed information is available at some 400 locations in Prague and its surroundings (hotels, information centres for tourists etc.). Completion and issuance of a catalogue summarising information elements represents an important step towards a uniform style of elements used. Also the Centres of Transport Information play an important role in dissemination

of information targeting the public. In 2006 two additional centres were commissioned (one at the new Terminal North 2 at the Ruzyně Airport, the other at the Municipal Office in Jungmannova St.). Interest in their services has not abated - in 2006 the Centres served almost 700,000 customers (of which some 111,000 by phone).



# Technology

Excellent technical state of all conveyances serving regular passenger transport is prerequisite for safe and reliable municipal transport, and the same applies to the rail tracks. The Technical Division, responsible for repairs and maintenance of all conveyances, technical facilities and equipment, was reorganised into autonomous operative units during the transformation process. Administration, maintenance and repair of the rolling stock and the bus fleet are entrusted to the Metro Rolling Stock Administration Unit, the Tram Rolling Stock Administration Unit and the Bus Fleet Administration Unit; administration, maintenance and repairs of objects connected with the transport track have been entrusted to the Metro Transport Track Unit and the Tram Transport Way Unit.

The new structure of the Technical Division has brought about a number of organisational changes, a reduction of jobs or transfer of staff from less important or cancelled units somewhere else. Routine information flow has been disturbed but, thanks to the intranet, mutual communication was rapidly re-established. Some activities and services were outsourced. All activities are permanently monitored with regard to quality and efficiency. Despite the adverse financial situation all planned tasks, especially in the field of repair of conveyances, were fulfilled in 2006.

## Rolling Stock and Bus Fleet

At the end of 2006 the Metro rolling stock consisted of the original couches 81-71, coaches type 81-71M refurbished in Škoda Transportation, and new coaches type M1, all in all 744 units. In January 2006 the manufacturer delivered two additional sets and in September the last, 48th set type M1. Deliveries of the refurbished sets 81-71M from Škoda Transportation continued; at the end of 2006 the Metro Rolling Stock Administration Unit administered 50 of them, of which 25 sets in regular operation on Line A. 11 sets type 81-71M were in test operation on Line B. The situation with regard to Metro sets was essentially stabilised on Lines A and C; on Line B the number of sets in operation however coincided with the necessary number according to the running diagram.

Modernisation of old Metro coaches type 81-71 and of trams type T3 and KT8D5 continued; some older buses were also refurbished. These activities bring along substantial savings since acquisition of new conveyances is much more expensive.

As of 31 December 2006 the tram rolling stock consisted of 975 cars; the recorded (operating) state is 929 cars, of which 37 articulated cars KT8D5, 10 modernised low-floor cars KT8D5.RN2P, 151 cars type T6A5, 4 low-floor cars RT6N1, and 5 low-floor cars 14T. The remaining cars are various modifications of type T3. Cars types T3R.P and T3R.PLF are refurbished cars type T3. In 2006 the Hostivař workshops refurbished 50 tram cars type T3. As of 31 December 2006, 25 T3 cars and 3 KT8D5 cars were laid up preparatory to refurbishment.

The mean age of cars in operation is 14.96 years and the number of cars type T3 in excess of technical lifespan is 154; they represent 16.57 % of the operating number of tram cars but are still in operation. The percentage of repairs in 2006 was 7.8 %.

Maintenance of tram cars takes place at seven depots, Hloubětín, Kobylisy, Motol, Pankrác, Strašnice, Vokovice and Žižkov, and at the Hostivař tram repair shop.

As of 31 December 2006 the Bus Fleet Administration Unit registered 1,235 buses in operating state, of which 571 standard, 331 standard low-floor, 6 low-floor midibuses, 274 articulated and 53 articulated low-floor buses.

In 2006 40 standard buses type B 951 (high-floor), 10 low-floor buses type Citelis, and two low-floor buses type Ikarus E91 were purchased; one low-floor bus type Citelis purchased in 2005 was commissioned. 15 articulated buses B 741 were refurbished without frame replacement and their lifespan was thus prolonged by about 4 years. Two buses type B 732R-ZTP earmarked for transport of handicapped persons were similarly refurbished. 538 buses exceeded their technical lifespan, of which 404 standard and 134 articulated buses.

13,418 km of operation correspond on the average to one idle time due to a technical defect.

In 2006 bus operation consumed 29,379,635 litres of Diesel fuel.

## Transport Ways

Considerable attention was devoted to repair of Metro and tram tracks that suffered owing to the long winter period and the following high summer temperatures. Reconstruction of the Ohrada and Koněvova St. intersections rank among the most important events in this field. The technical state of tram tracks and the catenary system was improved at more than twenty different locations in Prague. Repair of the tracks proceeded in conformity with the prepared plan; in addition the traction substation Ohrada was successfully relocated and subsequently commissioned (on 8 September 2006).

Winter services at the bus and tram stops, at entrances to Metro stations and at reversing loops were in part outsourced and in part entrusted to Dopravní podnik staff.

The Metro Transport Way Unit is responsible for repair and maintenance of the traction system, communication and security systems, escalators and lifts, machinery, tunnels, buildings, and the superstructure. A maintenance plan prepared for all these activities was covered to a mere 30 %. Accordingly, only repairs immediately related to operation and safety were undertaken.

## Energy

2006 was the first year in which the newly conceived department of energy was operative; the department took care of comprehensive purchases of all types of energy for the entire company as well as for invoicing energy relinquished to other subjects. The new concept resulted in higher transparency and clarity of all associated relationships.

Dopravní podnik remains the most important consumer of power in Prague. The total consumption of electricity in 2006 reached 376.6 million kWh representing CZK 764 million, of which Metro and tram traction consumed 248.6 million kWh (CZK 515.5 million). Two factors influenced the change in absolute consumption compared with 2005 (204.8 million kWh); the yearlong operation of segment IV of Metro line C (rise in consumption) and more moderate temperatures in November and December (savings). Specific

consumption continued to decrease owing to the gradual commissioning of conveyances with recuperation: in 2006 it reached 2.97 kWh/v-km for trams and 2.14 kWh/v-km for Metro.

After the Prague electricity utility PRE, a.s., switched over to a new system of power consumption, additional major electricity consuming units were incorporated in the system of central data acquisition that provides for optimised consumption planning and, consequently, minimum cost. In connection with the adopted legislation changes we managed, in collaboration with supplier, to conceive anew the contracts covering supply of power for traction in 2007. We expect that the new system will bring about additional savings.

The firm České teplo, s.r.o., continued to supply heat to the Hostivař and Kačerov areas and the Pankrác depot. The firm now supplies heat to the Zličín and Motol depots and the garages Řepy, Klíčov and Vršovice, and also maintains the heat and water distributions system in the above localities. In 2006 České teplo, s.r.o. became our largest supplier of heat - for 335,865 GJ supplied we paid CZK 143.9 million. Heat from other suppliers amounted to 76,143 GJ and cost CZK 24.1 million.

We generate heat ourselves from own boiler houses in the Žižkov, Vokovice, Strašnice, and Střešovice depots, in the Dejvice garage and for the Metro station Florenc, for the technical centre Radlice and the objects Švábky, the Central Dispatching and Vinohrady. Gas consumption in 2006 amounted to 2,904,000 m<sup>3</sup> valued at CZK 18,985 million.

Water supplied by Pražské vodovody a kanalizace, a.s., amounted to 854,200 m<sup>3</sup> a year, valued at CZK 19.1 million. Sewage charges comprise not only the water supplied but seepage in the Metro and stormwater as well. In 2006 we paid sewage charges of CZK 50.8 million for 2,548,000 m<sup>3</sup>.

**Note:** The Energy Department does not monitor consumption of Diesel fuel and liquefied gas.



# Services

In 2006 we have launched process optimisation aimed at maintaining competitiveness. Functioning of the new departments under the new organisational structure proved to be beneficial. A uniform, “holding type” method of management of very different units was implemented. Internal consolidation - economic, legislative and personal - of individual departments took place.

Conclusion of Service Level Agreements proved to be an important element conducive to mutual co-operation between units of the Services Division and the other units of Dopravní podnik. The Agreements substantially contributed to more transparent flow of materials and funds.

## Archive

The Archive (Archiving Department) provides services to individual specialised units and to interested members of the general public, and co-operated with promotional activities organised by the Marketing Department. Co-operation with the media intensified in 2006; various information and photographs were made available and several interviews dealing with the history of municipal transport in Prague were given to periodicals and radio stations. The growing interest in biographical particulars of ancestors employed by the firm several generations ago is also worth mentioning. The Archive closely co-operated with Pražská energetika, a.s., in preparation for celebrations in 2007 of the 110th anniversary of establishment of Elektrické podniky (the predecessor of Dopravní podnik), and assisted the Research Centre for Industrial Heritage to document industrial monuments from fields like transport and energy generation in Prague.

5.9 metric tonnes of discarded documents were shredded in conformity with applicable legal regulations.

## Information Technology

In 2006 changes brought about by the proceeding transformation of the company-wide information systems (SAP R/3 and Elanor Global) and of transport-related information systems were successfully completed. In addition

to the extensive routine operation the unit focused on increased security of information systems by introducing anti-spam protection and network and server monitoring.

## Company's Internal Transport

This unit provides top quality and reliable services to its internal partners. In addition to routine passenger transport, freight service and operation of a driving school a series of economy measures were realised in 2006 including reductions and a partial renovation of the fleet. The unit had to cope with new legislation in the area of road toll implementation. It also started to transport disabled or crashed cars and currently prepares other measures in order to improve the quality of services rendered.

## Supply Services

In 2006 activities in this area were consolidated in a manner ensuring that the output satisfies the internal and external customers and meets the requirements imposed by the ISO 9001 standard.

Methods used to supply materials were consolidated. The changes were reflected in new internal by-laws; topical information was made available to users via instruments of internal communication. In the field of warehousing individual commodities were allocated to sponsors' warehouses at new locations. The unit at present operates 10 warehousing facilities. At the year's end a standard periodical audit took place; independent auditors confirmed compliance of the quality assurance system with the requirements imposed by the standard ISO 9001:2000.

## Immovable Assets Administration

The unit administers extensive immovable assets including long-term and short-term lease contracts. Instruments of internal communication (Help-Desk) were implemented to enable facile and efficient management. Apportioning



of secondary costs to users of individual objects and areas was implemented in order to reduce the associated expenditures.

Instruments from the area of central methodology were introduced into the environmental protection field. Here it was necessary to create materials underlying new water management permits in connection with using ground and surface waters. In the area of waste management the unit submitted for approval specific plans for individual territories; contacts were established with firms in the business of electrical waste recycling; in the area of air protection categorisation of contamination sources was consolidated; in conformity with new legislative requirements concerning ozone layer protection inventory and inspection of the relevant facilities was undertaken.

### Excursions

In 2006 this unit organised excursions in the Czech Republic and in Europe for a number of renowned Czech and foreign travel agencies. The unit regularly presents its services at the tourism fair Holiday World, at the traffic information municipal transport centres and using the appropriate means installed in individual conveyances. The unit competes primarily by human resources quality and by price.

### Historical Vehicles

Museum of Municipal Transport in Střešovice has enjoyed permanent interest of local and foreign visitors. In addition to the rare opportunity to see the unique exhibits the unit organised traditional, attractive journeys across Prague in historical trams and other interesting programmes. In 2006 the Museum prepared a new, highly attractive and in a way exceptional exhibition. "Live" horses will be hooked up into the summer conveyance of the 1886 horse railway No. 90, a spectacle that not many analogous institutions could simulate.

# Economy

Efficient use of funds is the top priority of Dopravní podnik. By consistent co-ordination of expenditures and projected revenue the Company managed to maintain positive cash flow. Revenues from tickets sold continued to rise. In 2006 revenues from fare and fines increased by CZK 443 million.

## Financial Situation in 2006

Pursuant to the contract to secure transport attendance by mass municipal transport Dopravní podnik was entitled to a subsidy from the City of Prague budget equal to CZK 7,970 million. During 2006 the amount was gradually increased owing to, e.g., strengthened Metro protection system, for costs incurred in connection with the EU project Trendsetter, and a transfer of investment subsidy to depreciation and deferred tax. The sum total received from the City of Prague amounted to CZK 8,470 million.

The balance of funds exhibited substantial fluctuations in 2006. Available funds gradually decreased and payment of invoices covered by the subsidy had to be postponed until payment was actually received. Four instalments towards repayment of credit were made, totalling CZK 285 million, and accrued interest amounting to CZK 211 million was also paid. Dopravní podnik paid from own sources CZK 377 million for six Metro sets; this was one of the reasons why own resources were depleted.

## Tariff and Revenues from Fare

Revenues from fare including fines amounted to CZK 3,783 million in 2006, a rise by 13.24 % on the 2005 result. The comparison reflects the increase in prices effected in July 2005.

The rise was the highest (by almost 31 %) for no-transfer short-term tickets sold to children between 6 and 15 years of age. The situation was influenced by the extension of the user group by retirees who have been entitled to use the discounted fare since 1 July 2005. Individual tickets inclusive lump-sum payments and fines represented 43.62 % of total revenue.

Season tickets represented 56.38 % of total revenues. The number of passengers who prefer tickets with optional validity period, the so-called

sliding coupons, continued to rise. As of 1 October 2006 these tickets were introduced also in the outer zones of the Prague Integrated Transport System. Adults' monthly and 30-day season tickets exhibited the highest rise (by 27.75 %). Compared with 2005 the revenues from season tickets sold without personal data of the holder and with optional start of validity also increased by 156.85 %. Although substantial, the rise represented a mere 0.1 % of the total revenues from season tickets. The proportion of season tickets for the municipal mass transport (P+0) was 95.63 %, that of season tickets for the outer zones of the PITS was 4.37 %.

## Passengers

The overall number of passengers transported within the Prague Integrated Transport System in 2006 increased by 3.3 % on the year earlier.

Discounted season tickets sold against provision of personal data of the holder and with optional start of validity exhibited a rise by 28 %. A growing trend continued for passengers who made use of short-term season tickets (an increase by 14.9 %). The number of passenger using season tickets rose by 5.9 % compared with 2005. The increased price of individual tickets effective as of 1 July 2005 was reflected in the decreased number of users (by 8.1 %). The number of passengers in the City of Prague territory increased in 2006 by 3 %, the number of passengers in the outer zones of the PITS increased by 10.6 %.

# Human Resources

2006 witnessed completion of organisational changes in Dopravní podnik and, consequently, in human resources management. The objective of transformation in that area was implementation of a system of strategic management of human resources, comprising consolidation of the personnel agenda and the wage processing agenda, setting up a uniform remuneration system, creation of a system of assessment and motivation of employees, and introduction of identical working procedures and internal by-laws.

In connection with the expected new Labour Code and the corresponding implementing regulations attention was devoted to their application to activities of the Human Resources Department. Special focus was on amendments to internal by-laws affecting working hours and the rest period, and to differences in working hours of employees directly involved in mass municipal transport. This was complicated owing to the complexity of the underlying issues and because of the uncertainty regarding the effective date of the coming regulations. Despite these difficulties all problems related to application to relations between Dopravní podnik and its workforce were duly resolved.

In 2006 processes already in progress in the field of social policy were further standardised.

## Workforce

As of 31 December 2006 Dopravní podnik had 12,599 employees, of which 10,684 men and 1,915 women. The numbers and structure of the workforce correspond to the needs and employment potential of the Company. Blue-collar workers are the most numerous group (34.83 %), followed by municipal transport drivers (33.88 %) and technical and administrative staff (25.80 %). Regardless of the growing number of drivers the total number of employees exhibited a decreasing trend.

Educational and age structure of the staff remained essentially the same in 2006, where middle-aged persons with secondary education with or without school-leaving examination predominate. The job structure conforms to the structure of professions needed by the Company.

## Personal Strategy

In conformity with approved principles Dopravní podnik implemented a system of personnel assessment and motivation in four stages. Stage 1 started in January 2006 by assessment of 136 managers. A system of personal reserves was prepared in 2006 as a part of the incentive system. Together with a directive dealing with selection of new employees the system enables one to fulfil the adopted strategy aimed at reducing the number of employees and increasing productivity of labour. Principles of personal strategy elaborated for the period 2007 - 2009 continue the previous trend of workforce reduction accompanied by a simultaneous increase in quality.

## Remuneration Policy

Remuneration policy of Dopravní podnik is realised within the framework of a uniform collective agreement that includes common rules governing remuneration of all employees. The mean monthly wage in 2006 was CZK 23,625, cost of labour including OW amounted to CZK 3,582,961,000. Considerable attention in individual departments was devoted to overtime work and the underlying reasons; in this area Dopravní podnik achieved a substantial reduction by 51,328 hours compared with 2005.

The changes in the remuneration system brought about modifications of both internal by-laws and organisation of work. The system must reflect the interrelation between the wage and the attained results. Modifications updated the catalogue of manual work and the catalogue of technical and administrative activities in a manner ensuring that the examples employed correspond to the actual activities and specific tariff levels. Reducing the number of professions by consolidation of jobs differing merely in designation and cancelling professions no longer used was another objective. The approved system of jobs and the updated catalogues of manual work and technical and administrative activities constitute the fundamental documents underlying job classification. Accordingly, considerable attention was devoted to removing

discrepancies between classification of identical jobs in different organisational units consolidated as a result of the transformation process.

The accomplished transformation brought about a necessity of implementation of a uniform system of attendance records. The records previously used in this area differed considerably among the former divisions and the Company headquarters. Implementation required application of appropriate methodology and issuance of new identification cards. Implementation of a new, uniform system resulted in interconnection between the entrance technology, records of attendance and wages; in central administration of stints and shifts; and in a substantial improvement of records of employees and their working hours.

### Education and Training

Dopravní podnik is aware of the necessity of systematic education and training, both professional (like, e.g., courses for drivers and other operating professions; training and testing as a part of professional capability development) and managerial. The system covers all categories. Realisation makes use of own funds as well as subsidies from the EU structural funds. Dopravní podnik currently realises two educational projects supported by EU structural funds:

1. Project devoted to development of middle-level managers and increased proficiency of staff in the field of IT.
2. Project entitled Accommodating and Accessible Prague (development of language and communication skills of Dopravní podnik staff).

The above two projects are scheduled to end in 2008. Dopravní podnik is the recipient of subsidy in the first project and a partner in the second, where our staff is the target group.

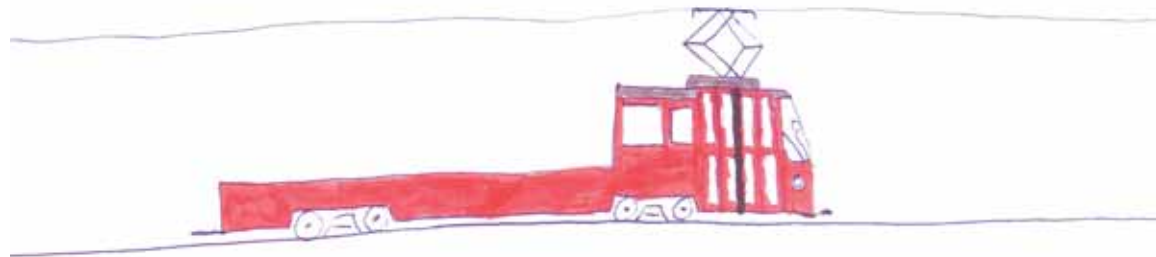
### Social Policy

Social policy is realised in conformity with the priorities and specific requirements of individual organisational units in collaboration with the trade union organisations, and is incorporated in the collective agreement.

In addition to creating conditions and extending support to development of specialised knowledge, Dopravní podnik satisfied social needs of the staff and motivated the employees by offering a number of advantages in support of working initiative and performance: contributions to alimentation, a contributory pension scheme, maintenance of uniforms, or third party liability insurance for damage to the employer, all from the working funds; additional leave of absence upon embarrassment in work, and severance pay in excess of the Labour Code, all from the wage fund; financial contributions to trade union organisations, contributions on the occasion of working anniversaries, SodexoPASS vouchers for rehabilitation and recreation, all from the social fund.

### Internal Communication

The second half of 2006 witnessed the start of activities devoted to enhanced efficiency of information sharing inside the Company using the provisions of the ČSN EN ISO 9001:2001 standard. Permanently improving level of internal communication is the priority objective. All communication channels must be integrated and made more efficient to ensure that information arrives at the final user in time and undisturbed. One of the main objectives comprised creation of integrated and dynamic intranet, which already represents the main communication channel in Dopravní podnik.



# Security

For the Security Division 2006 was the second year of its existence in the new organisational structure that included new activities affecting the joint-stock company, in particular fire prevention and admission of third parties to objects and premises of Dopravní podnik. Activities of the Security Division affect all departments; although it does not create added value it can significantly influence the cost of other activities and components. It has considerable impact outside the Company as well, in particular with regard to co-ordination of activities in emergency management and civil defence, co-operation with the Emergency Management Department of the Municipal Office City of Prague, the Occupational Safety Inspectorate, the Rescue and Fire Brigade, the Prague Municipal Police, and the Czech Police. Another important aspect concerns co-operation with the UITP Commission on Security.

The transformation assigned to the Security Division processes of emergency management, fire protection, health and safety at work, safety and protection of assets, and protection of confidential information and personal data.

## Emergency Management

The objective is to minimise the impact of emergencies on lives, health, property and the environment. In 2006 an amendment was prepared to the Flood Prevention Plan of Dopravní podnik, and internal by-laws in this field were issued or modified. A contract with the City of Prague municipality was prepared concerning exchange of information and services in preparation for and dealing with emergencies including rescue and damage liquidation activities.

## Fire Protection

In this area the objective is to prevent the occurrence of fire and to minimise the impact on life, health and assets. Activities include fire prevention, acquisition of means for fire liquidation and for repressive activities of the Rescue and Fire Brigade entrusted with extinguishing fires in Dopravní podnik, providing technical assistance in emergencies, mitigating consequences of natural and ecological disasters or of a potential terrorist attack.

Several of the outlined objectives in the field of fire prevention were already attained, objectives important for activities of both own staff and of various suppliers. They include primarily preparation and issuance of legislative rules - Principles of Fire Protection - governing design and construction of Prague Metro, and also Fire Protection Organisation.

Intranet pages dealing with preventive activities in the legislative field have been created to inform about fire prevention issues.

## Health and Safety at Work

The objective is to prevent adverse effects of the working environment on lives and health of employees. 2006 witnessed continuation of processes of internal by-laws consolidation and harmonisation with European standards, risk identification, consolidation of training courses, health and safety at work inspections, the industrial accidents agenda, creation of intranet pages devoted to health and safety at work, and implementation of uniform attitude to health and safety at work inside Dopravní podnik.

## Property Safety and Protection

This area comprises preparation of a concept of security, management of contracts concluded with security agencies engaged to guard individual objects, extraordinary security measures, protection of confidential information against loss, disclosure or misuse.

In 2006 the unit was entrusted with the agenda dealing with admission and recording access of external subjects and vehicles to individual objects.

A new by-law was prepared and some preparatory work, technical and personal, in this area was undertaken.







## Quality of Services Rendered

Prerequisite for success in a competitive environment is a functioning quality assurance system incorporated in the system of management and constituting an instrument conducive to maintaining and improving market share by focus on the customer. Quality assurance systems generally rely on the standard ČSN EN ISO 9001 and monitor and satisfy justified requirements of customers, monitor the needs of contractual and other partners as well as requirements imposed by applicable regulations and technical standards. In mass transport the Programme of Service Quality (in conformity with the ČSN EN 13816 standard) represents the main instrument in quality management, together with the associated standards of quality that constitute the strategic objectives of Dopravní podnik.

The complementary character of the aforementioned two standards is apparent: the first deals with internal processes and supports sustainability of quality of services rendered, the second warrants that customer expectations are taken into account. The results obtained by examination of six existing standards of the Programme of Service Quality (accuracy of operations, information provided to the public, appearance, uniform, functionality of ticket vending machine, and functionality of barrier-free facilities) have confirmed the long-term stability of services rendered at the pre-set level of quality.

In 2006 Dopravní podnik enjoyed a number of significant successful results in the area of quality assurance. At the beginning of 2006 the Technical Inspection Station (a component of the Internal Transport Unit) received a certificate of quality (certification under ČSN EN ISO 9001 is prerequisite for its operation).

In June 2006 stage one of the quality management system was completed in the Metro Operation Unit by certification of public passenger transport at Metro line C. For the first time the process of quality management under ČSN EN ISO 9001 was interconnected with the quality management under the Programme of Service Quality and quality standards. In December 2006 the certificate was further extended to cover line A. Successful control and recertification audits took place in other organisational units with a previously launched system of quality assurance (Tram Repair Shop, Bus Repair Shop and Supply Service). Establishment of the department Management Quality and Technology, responsible for future development of the system of quality management in Dopravní podnik, represented an important step in this area. The Programme of Service Quality will be further developed including

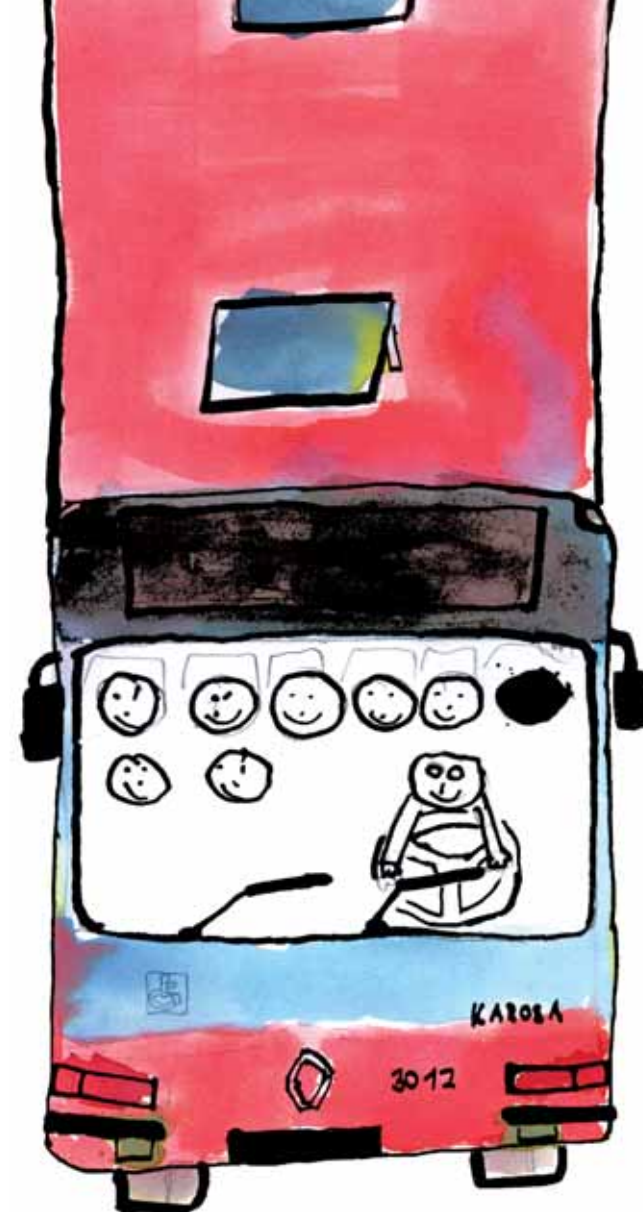
possible modifications of and additions to existing quality standards in conformity with strategic objectives adopted by Dopravní podnik, with requirements and conditions of the sponsor, and expectations of customers. Preparatory work related to certification of other subsystems from the point of view of quality (in conformity with ČSN EN 13816) will continue. Further development of the quality management system under ČSN EN ISO 9001 will include assessment of a possible extension of existing, or buildup of new, subsystems within the framework of existing main processes (Tram Operation, Bus Operation), potentially of some selected auxiliary and managerial activities. Interconnection of process quality management and management of quality of services rendered represents an objective especially important for operating departments. Social development presupposes not only provision of top quality products but also liability of the provider for adverse environmental effects as a part of sustainable development. Implementation of standards ČSN EN ISO 14001 (environmental protection) and OHSAS 18001 (health and safety at work), potentially others, may represent a suitable instrument in this area.



## International Relations

2006 witnessed a number of events in this area, events indicating that Dopravní podnik ranks among major European public transport carriers. From the beginning of 2006 preparations were in progress for participation and successful presentation of Dopravní podnik at the June Public Transport Saloon in Paris. Dopravní podnik hosted a delegation of top managers from the Berlin municipal transport company, interested in the progress of the proceeding transformation; similar meetings with other foreign partners took place. As in previous years we received several groups of students of technical universities and informed them about specific technical operational aspects of Prague municipal transport. The meeting of the UITP Commission on Security in Prague, attended by its Director, Alain Caire, was the most important international event in 2006. Representatives of Dopravní podnik took part in activities of UITP committees and commissions, participated in meetings organised within the CYQUAL club and in the SPUTNIC project organised in collaboration with UITP and the European Commission in support of exchange of experience between representatives of public transport carriers from Central and Eastern Europe and, on the other hand, representatives of expert groups from Western Europe. Participation in the international conference devoted to sustainable development in the field of public mass transport was of special importance for future development of Dopravní podnik, as the conference detailed areas to be solved under the motto: "Sustainable municipal and public transport is beneficial to quality of life".

In 2006 Dopravní podnik actively participated in preparation of legislative measures for the European Parliament in the field of public transport, primarily the "Draft Regulation of the European Parliament and the Council on Public Service in Passenger Transport by Road and by Rail", expected to replace the existing, antiquated regulation adopted almost forty years ago.



## Future Priorities

2007 is the first year following completion of the Transformation Project realisation stage. The process of Company transformation is by no means completed, though. Strengthening the incentives offered to employees with regard to identification and realisation of savings; proposed optimisation measures to extend the optimisation stage of the Transformation Project; fine-tuning the restructured processes; finalising specific procedures and methods; and implementation of routine measurement and assessment of process performance rank among the most important tasks for the coming period. Further development of the Metro and tram networks to increase the proportion of segregated routes in municipal transport, prerequisite for additional increase of their transport capacity, safety, speed, and regular character of traffic also ranks among important priorities of the Company; benefits of electric traction for the environment must be also considered.

Construction of Metro segment IV.C2 (Ládví-Letňany) will continue in 2007, and so will construction of the tram line Laurová - Radlická. Key decisions will be made in 2007 with regard to future Metro development. City of Prague authorities will select specific technology for the new Metro line D and decide on stages in construction of the segment Central Railway Station - Písnice. Final decision is also expected with regard to stages of work on future extension of Metro line A to the Ruzyně Airport. The process whereby these plans are incorporated in the zone plan will continue and the corresponding design work is expected to start. Development of the network of tram lines will be also in the centre of attention. In addition to work on documentation for the tram line Barrandov - Holyně - Slivenec one may expect a more detailed design of the plan to build a tram line to Suchbát. Provided a progress is made in co-ordination issues with the management of the Kárané water mains one can expect continuing preparation for buildup of the tram line Počernická - Malešice residential area. New activities are envisaged also in the field of depot capacities for transport by rail. In connection with liquidation of the Strašnice tram depot, envisaged in the zoning plan, a possible buildup of a Hostivař depot will be considered. Depending on the decision adopted in connection with Metro line D, preparations for buildup of a new Písnice depot will be necessary. Other priorities include the gradual buildup of barrier-free Metro stations that

always require demanding construction intervention especially in connection with the older segments.

Rolling stock and bus fleet modernisation focusing on increased proportion of progressive, economical and barrier-free vehicles also ranks among future priorities. Reconstruction of the original Metro coaches 81-71 will continue. Only low-floor buses will be bought and reconstruction will remain an important part of fleet renewal. Refurbishment of the tram rolling stock is expected to constitute the most serious changes. Deliveries of progressive, low-floor tram cars type 14T from Škoda Transportation started in 2005; in 2007 their number is expected to reach 20 and additional 40 units will be provided later on. Refurbishment of cars type KT8D5, where a low-floor central element is installed, represents another way how to raise the proportion of low-floor trams. In 2007 additional five cars will be refurbished in this way and it is envisaged that all trams type KT8D5 will be gradually reconstructed. One must not forget the generally beneficial reconstruction of trams type T3, expected to take place at the rate of 50 cars a year, of which 10 will be of type T3R.PLF with a low-floor central part.

The system of traffic preferences contributing to higher speed and regular character of traffic is expected to be further supported.

Providing services of higher quality ranks among fundamental preferences of Dopravní podnik in the coming period.



# Companies in which Dopravní podnik has a stake

## Inženýring dopravních staveb a.s.

The core business of the company comprises engineering services offered to investors, from project preparation to activities related to the necessary zoning decision and the building permit, to resident engineer's activities, to the final building inspector's approval. Dopravní podnik has a 34 % stake in the company.

## Pražská strojírna a.s.

The core business of the company comprises development, manufacture and assembly of components and facilities for construction and maintenance of tram lines. Dopravní podnik has a 100 % stake in the company.

## Rencar Praha, a. s.

The company organises all types of promotional activities, from operation of promotional, decorated trams, buses and Metro sets to lease of display cases at bus stops. Dopravní podnik has a 28 % stake in the company.

## Střední průmyslová škola dopravní, a.s.\*

Main activities comprise secondary education and life-long learning for adults; organisation of training courses, requalification (base and periodical testing of welders and training in areas like health and safety at work etc.), a one-year course devoted to "line management" and earmarked for chief foremen and foremen, and specialised seminars organised primarily for Dopravní podnik staff. Dopravní podnik has a 100 % stake in the company.

\* Prior to 3 May 2006: SPDŠ, SOU and U, a.s..

## Elaugen DP Praha, s.r.o.

The company restores the profile of tram rails. Dopravní podnik has a 40 % stake in the company.







# Report on Activities of the Supervisory Board of Dopravní podnik hl. m. Prahy, akciová společnost

In 2006 the nine-member Supervisory Board of Dopravní podnik experienced a change since the four-year tenure of its deputy chairman elected by employees - Jiří Šindelář - expired. Jiří Obitko was elected the new member by ballot on 11 January 2006, and the Supervisory Board subsequently elected Jiří Čada the new deputy chairman.

At its regular meetings the Board dealt with topics incorporated in the approved plan of activity, and also convened extraordinary meetings as required. The framework plan of activity for 2006 contained the following, fundamental and long-term monitored topics:

- periodic monitoring of Dopravní podnik economy including checks concerning fulfilment of resolutions adopted by the last Annual General Meeting and other General Meetings
- monitoring the economic results and checks of fulfilment of resolutions adopted by the last Annual General Meeting and other General Meetings of companies in which Dopravní podnik has a stake
- periodic monitoring of progress of the Transformation Project
- monitoring elaboration of financial plan for 2006
- monitoring the trend in energy and fuel prices in connection with the costs of municipal mass transport
- discussing materials and conclusions adopted at the meetings of the Board of Directors and ordinary General Meetings
- periodic monitoring of the deliveries of new Metro coaches series III and preparations for future deliveries in connection with tram rolling stock rehabilitation
- participation in committees for assessment of contractors' offers
- periodic monitoring of progress in construction of segment IV of Metro line C including issues of financing
- monitoring implementation of EU Directive 1191
- periodic monitoring of progress in construction of station Depo Hostivař, Metro line A.

The Supervisory Board prepared a report for the Annual General Meeting convened on 23 May 2006, and approved the economic results the Company achieved in 2005. The Supervisory Board, in conformity with the provisions

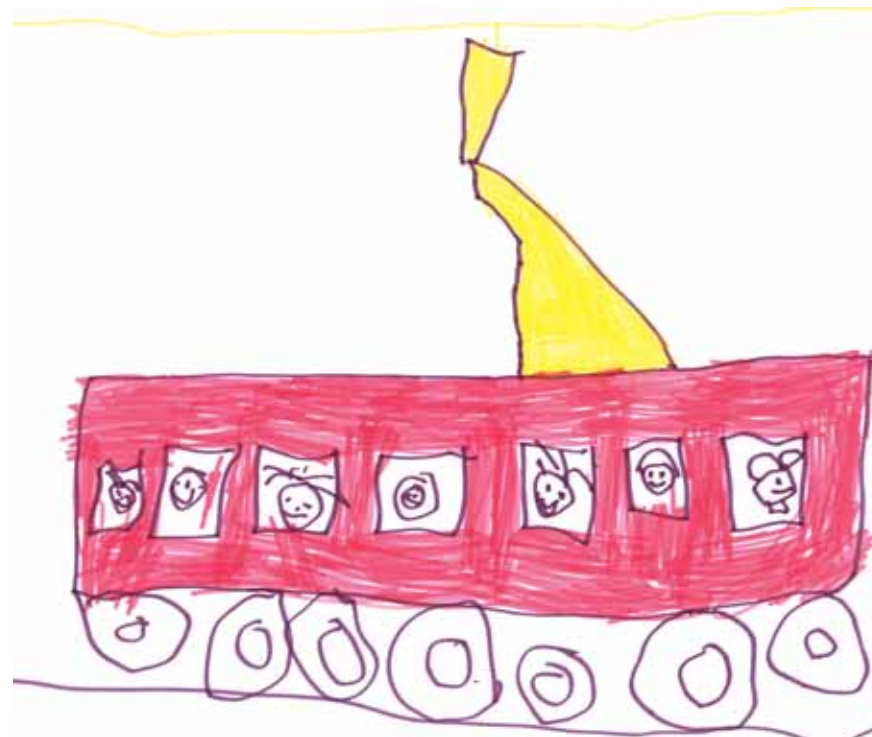
of § 198 of the Commercial Code, prepared an opinion of the annual financial statements, the Annual Report, the auditor's report of the annual financial statements as of 31 December 2005, and the report on relations between affiliated subjects. In that connection the Supervisory Board stated inter alia that ordinary 2005 activities of Dopravní podnik ended in zero bottom line; the overall economic result in 2005 represented a loss of CZK 409,801,094.54 owing to liquidation of consequences of the August 2002 calamitous flood. The Supervisory Board further stated that it has monitored in detail the revenues from the core activity of the Company, where the revenues from the integrated transport (exclusive of fines) was higher by 12.7 % than in 2004; the increase of ticket prices implemented on 1 July 2005 was the main underlying reason. The Supervisory Board in 2006 monitored the economic results of Dopravní podnik permanently and carefully; it regularly discussed the quarterly reports on attained results and the calculated cost of municipal transport. In view of the necessity to demonstrate unequivocal savings attained by own efforts inside the Company, the Supervisory Board recommended to the management a modification of the classification of monitored items included in the financial plan and its fulfilment including utilisation of predictive diagnostics methods.

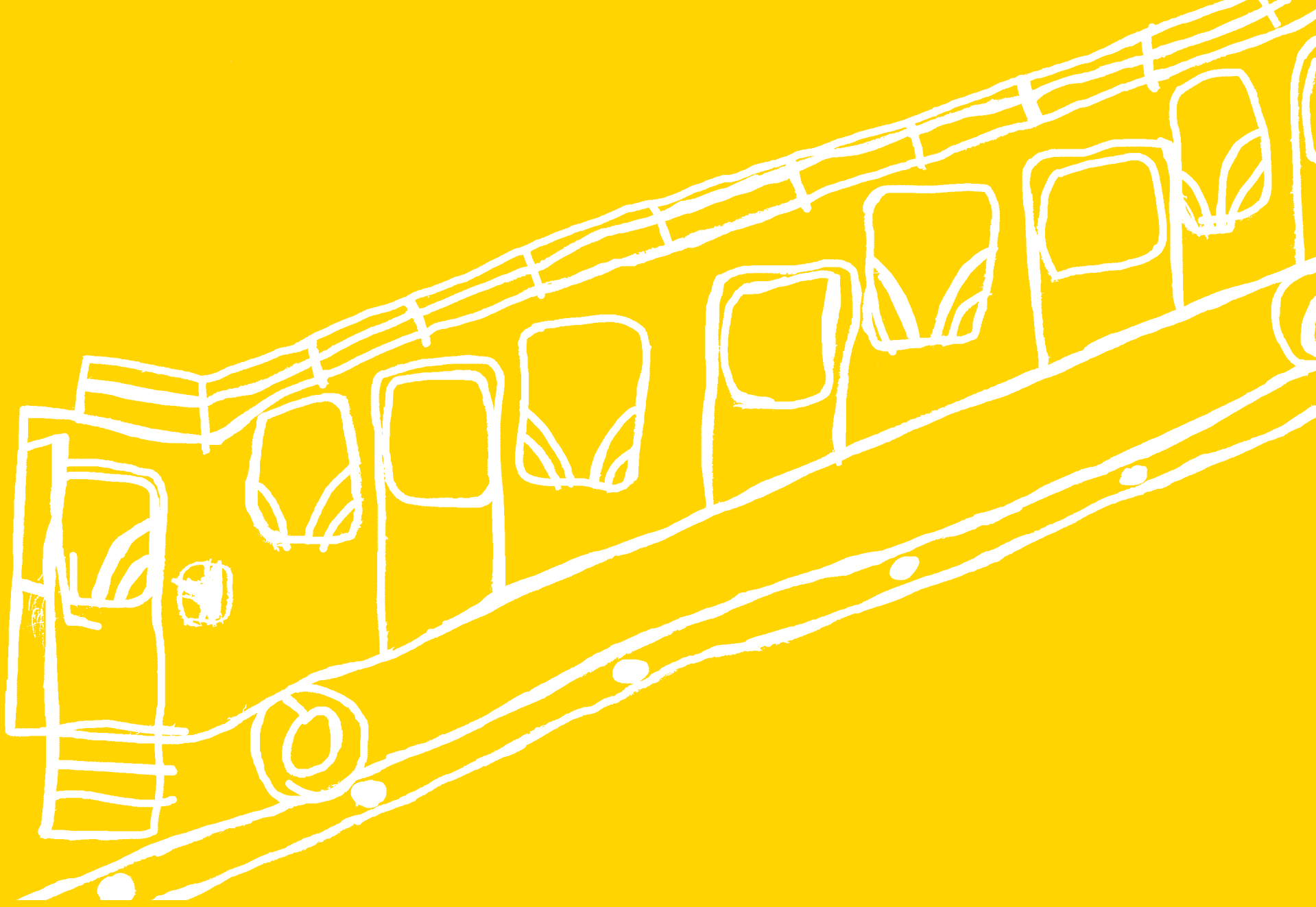
The Supervisory Board monitored the progress and results of the proceeding Transformation Project; it stated inter alia that the success of proceeding transformation has enabled implementation of a process of cost management. The Supervisory Board therefore recommended regular and informal assessment of the SLA contracts and a detailed analysis of possible consequences in connection with activities selected for possible future outsourcing, including an analysis of actual results and impacts of activities already outsourced. Application of EU Directive 1191/1969 ECC, amended by Council Regulation No. 1893/1991 and devoted to the so-called public support granted to carriers operating services in urban, suburban or regional transport, represented a serious topic repeatedly discussed by the Supervisory Board. The Supervisory Board recommended to invite the shareholder to warrant, together with the recipient of the subsidy, that the subsidy will not be unlawfully granted within the meaning of the aforementioned Regulation. The Supervisory

6

Board pointed out to the Dopravní podnik management the necessity of checking that no “cross financing” of activities contrary to public interest takes place. The Supervisory Board has devoted permanent attention to progress in construction of segment IV.C2 of Prague Metro including issues of financing. Among topics of more immediate concern dealt with repeatedly and in detail by the Supervisory Board in 2006 one should mention the requested check of the cost of energy audit entrusted to an external firm. Another such topic included preparation of the so-called exchange programme to obtain funds for payment of a part of the purchase price of new, five-coach Metro sets; all underlying materials and the resulting conclusions adopted by the Board of Directors were also discussed in detail.

Activities of the Supervisory Board in 2006 can be characterised as active teamwork in fulfilling the entrusted supervisory obligations; in compliance with applicable laws, other regulations, the Company’s Statutes and in conformity with the interests of the shareholder - the City of Prague - the Supervisory Board supervised the activities of the Board of Directors and generally the activities of the Company.







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# Operational and Technical Indicators

## Number, length and mean speed of lines in operation

	Number of lines in operation		Line length (km)	Mean speed (km/h)	
	Day	Night		Travelling	Round-trip
Metro	3		54.9	34.6	33.2
Tram	26	9	559.3	18.9	14.3
Bus	182	*14	2,123.4	25.8	16.6

\* Until 10 December 2006; only 13 in operation since 11 December 2006, line 514 was discontinued.

## Mean number of dispatched conveyances a day (regular operation outside the holiday season)

	Morning peak	Trough	Afternoon peak	Saturday	Sunday
Metro	405	205	375	160	150
Tram	703	552	699	410	410
Bus	955	451	856	393	397



### Operating vehicle and place kilometres

	Vehicle kilometres (,000 v-km)	Place kilometres (,000 p-km)
Metro	46,967	8,703,277
Tram	49,423	5,716,750
Bus	61,778	4,985,614
Funicular	17	1,756
Sum total	158,185	19,407,397

**Note:** Exclusive of contracted transport, substitute bus transport, and the nostalgic tram line.

### Percentage of repairs and energy consumption

	*Percentage of repairs	Traction power consumption		Diesel fuel consumption	
		,000 kWh	Per v-km	,000 litres	Per v-km
Metro	12.6	100,776	2.14		
Tram	7.8	147,832	2.97		
Bus	8.2			29,380	0.45

\* Exclusive of cars under refurbishment.

## Rolling stock as of 31 December 2006 - bookkeeping and operating MMT

		Bookkeeping state			**Operating state, municipal transport
		Total	of which:		
			*M+R	in liquidation	
Metro		744	186	0	555
of which:					
	81–71	251	101		150
	81-71M (modern.)	250	75		175
	M1	240	10		230
	ECS historical	3			
Tram		975	28	0	929
of which:					
Articulated	KT8 D5 + KT8N2	47	3		44
	RT6N + 14T	9			9
Single	T3 + T3R.P + T3R.PLF	366	23		343
	T3M	95	2		93
	T3SU	289			289
	T6A5	151			151
Historical conveyances		18			
Bus		1 259	0	13	1 235
of which:					
Standard	B 731, B 951	211		6	205
	B 732, B 732R	158		5	153
	B 732R for handicap.	7			7
	B 931	198			198
	C 734, C 734R	7			7
	C 934	1			1
	Total standard	582	0	11	571

Standard low-floor	CITY standard	319			319
	Citelis	11			11
	Neoplan 4014	2		1	1
	E91 midibus	6			6
	Total low-floor	338	0	1	337
Articulated	B 741, B 741R, B 961	100			100
	B 941	175		1	174
	Total articulated	275	0	1	274
Articulated, low-floor	CITY articulated	53			53
Coaches	LC 735, LC 936, Neoplan, Mercedes	11			
<b>TOTAL</b>		<b>2,978</b>	<b>214</b>	<b>13</b>	<b>2,719</b>

\* M+R = modernised/reconstructed and new, as yet not commissioned conveyances.

\*\* Exclusive of historical vehicles and coaches

**Note:** Operating state includes conveyances approved for MMT operation including those under standard repair.

On the other hand, bookkeeping state includes also conveyances under reconstruction/modernisation, new, as yet non-commissioned units, conveyances earmarked for liquidation, historical cars and coaches.

Sum total in the bookkeeping state = 2,978 – 214 under reconstruction/modernisation

– 13 in liquidation – 3 historical Metro coaches – 18 historical tram cars

– 11 coaches = 2,719 conveyances in bookkeeping state for MMT.

### Number of Metro coaches in bookkeeping state, classified by year of manufacture as of 31. 12. 2006

Type	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	7	2	1	10	18	12	12	12	10	0	0	0
81-7141 – inserted	0	2	2	3	17	15	2	4	14	26	18	16	18	15	0	0	0
Historical coaches	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Type	Year of manufacture													Total	Ave. age		
	94	95	96	97	98	99	00	01	02	03	04	05	06				
81-7171 – frontal	0	0	0	0	0	0	0	0	0	0	0	0	0	99			20.35
81-7141 – inserted	0	0	0	0	0	0	0	0	0	0	0	0	0	152			20.38
81-717M – fr. modernised	0	0	0	0	0	0	8	12	18	12	14	22	14	100			2.66
81-714M ins. modernised	0	0	0	0	0	0	10	20	27	18	21	33	21	150			2.65
M1.1– frontal	0	0	0	0	0	0	0	30	14	18	22	6	6	96			3.23
M1.2; M1.3 – inserted	0	0	0	0	0	0	0	45	21	27	33	9	9	144			3.23
Historical coaches	0	0	0	0	0	0	0	0	0	0	0	0	0	3			30.00
														TOTAL		744	8.92
														Total exclusive of historical coaches		741	8.84

### Number of tram cars in bookkeeping state, classified by year of manufacture as of 31. 12. 2006

Type	Year of manufacture																
	66	67	68	70	71	73	74	75	76	82	83	84	85	86	87	89	90
T3	2	3	2	3	4	34	16	8	14	0	0	0	0	0	0	0	0
T3M	0	0	0	0	31	13	12	8	12	0	0	0	0	0	0	0	0
T3 – SU	0	0	0	0	0	0	0	0	0	17	50	0	80	40	62	40	0
KT8D5 (articulated)	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	28	6

Typ vozu	Year of manufacture													Total	Ave. age
	94	95	96	97	98	99	00	01	02	03	04	05	06		
T3	0	0	0	0	0	0	0	0	0	0	0	0	0	86	32.83
T3M	1	0	2	6	9	1	0	0	0	0	0	0	0	95	28.12
T3 – SU	0	0	0	0	0	0	0	0	0	0	0	0	0	289	20.40
T3R.P	0	0	0	0	0	0	2	49	39	41	50	49	49	279	2.46
T3R.PLF *N	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0.00
T6A5	0	80	50	20	0	1	0	0	0	0	0	0	0	151	10.38
KT8D5 (articulated)	0	0	0	0	0	0	0	0	0	0	0	0	0	37	17.08
KT8N2 (articulated) *N	0	0	0	0	0	0	0	0	0	0	0	4	6	10	0.40
14T (articulated) *N	0	0	0	0	0	0	0	0	0	0	0	2	3	5	0.40
RT6N (articulated) *N	0	0	4	0	0	0	0	0	0	0	0	0	0	4	10.00

\*N = low-floor or in part low-floor cars.

**Note:** Exclusive of 18 historical tram cars.

**TOTAL**

957

14.96

### Number of buses in bookkeeping state, classified by year of manufacture as of 31. 12. 2006

Type	Year of manufacture														Total	Ave. age
	89	94	95	96	97	98	99	00	01	02	03	04	05	06		
B 731	0	0	80	0	0	0	0	0	0	0	0	0	0	0	80	11.27
B 951	0	0	0	0	0	0	0	0	0	31	30	30	0	40	131	2.35
B 732, B 732R	0	4	0	0	9	16	38	46	31	20	0	0	0	1	165	6.75
B 741, B 741R (articulated)	0	0	7	51	0	0	0	1	10	0	0	0	0	0	69	9.93
B 961 (articul.)	0	0	0	0	0	0	0	0	0	11	20	0	0	0	31	3.99
B 931	0	0	11	132	25	0	20	0	10	0	0	0	0	0	198	9.51
B 941 (articul.)	0	0	0	0	55	50	50	0	20	0	0	0	0	0	175	8.32
C 734, C 734R	0	2	2	0	3	0	0	0	0	0	0	0	0	0	7	10.88
C 934	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	7.68
CITY standard *N	0	0	1	4	10	26	49	80	50	19	30	50	0	0	319	5.62
Coaches **Types	1	0	0	0	3	6	0	1	0	0	0	0	0	0	11	9.35
CITY (articul.) *N	0	0	0	0	0	0	0	0	1	12	20	20	0	0	53	3.24
Citelis *N	0	0	0	0	0	0	0	0	0	0	0	0	1	10	11	0.32
Midibus E91 *N	0	0	0	0	0	0	0	0	0	0	3	1	0	2	6	2.27
Neoplan *N	0	1	1	0	0	0	0	0	0	0	0	0	0	0	2	12.05
TOTAL	1	7	102	187	105	98	158	128	122	93	103	101	1	53	1,259	6.88

\*N = low-floor vehicles.

\*\*Types: LC 735, LC 936, Mercedes, Neoplan for excursions.



# PITS Lines Operated by Dopravní podnik

## 1) METRO

- A Depo Hostivař – Skalka – Dejvická  
(until 26. 5. 2006 Skalka – Dejvická)
- B Zličín – Smíchovské nádraží –  
Českomoravská – Černý Most
- C Ládví – Háje

## 2) TRAMS

### Day traffic

- 1 Petřiny – Spojovací
- 2 Petřiny – Červený Vrch
- 3 Sídliště Modřany / Levského – Lehovec
- 4 Kotlářka – Čechovo náměstí
- 5 Olšanské hřbitovy – Výstaviště
- 6 Laurová – Kubánské náměstí
- 7 Sídliště Řepy – Kotlářka  
– Ústřední dílny DP
- 8 Podbaba – Nádraží Vysočany / Vysočanská
- 9 Sídliště Řepy – Spojovací
- 10 Sídliště Řepy – Sídliště Ďáblice
- 11 Spořilov – Černokostecká
- 12 Sídliště Barrandov – Palmovka
- 13 Sídliště Barrandov – Smíchovské nádraží
- 14 Sídliště Barrandov – Vozovna Kobylisy
- 15 Březiněveská / Kobylisy – Vypich
- 16 Nádraží Braník – Spojovací
- 17 Sídliště Modřany / Levského  
– Sídliště Ďáblice

- 18 Petřiny – Vozovna Pankrác
- 19 Lehovec – Kubánské náměstí
- 20 Divoká Šárka – Smíchovské nádraží  
– Sídliště Barrandov
- 21 Levského – Národní třída  
– Sídliště Modřany (half-loop line)
- 22 Bílá Hora – Nádraží Hostivař
- 23 Malovanka – Kubánské náměstí
- 24 Nádraží Strašnice / Radošovická  
– Sídliště Ďáblice
- 25 Bílá Hora – Vozovna Kobylisy
- 26 Divoká Šárka – Nádraží Hostivař

### Night traffic

- 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 – Spojovací
- 59 Sídliště Řepy – Nádraží Hostivař

### Nostalgic tram line

- 91 Vozovna Střešovice – Výstaviště

## 3) BUSES

### Day traffic

- 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 – Suchbát
- 108 Špejchar – Ciolkovského
- 109 Palmovka – Sídliště Rohožník
- 111 Skalka – Dolní Měcholupy
- 112 Nádraží Holešovice – Zoologická zahrada  
– Podhoří
- 113 Kačerov – Písnice
- 114 Kačerov – Šeberák
- 115 Chodov – Městský archiv – Chodov  
(half-loop line)  
(until 20. 10. 2006 Chodov – Keblovská)
- 116 Dejvická – Nebošice  
(until 1. 1. 2006 Dejvická – Bořislavka)
- 117 Kačerov – Poliklinika Modřany / Čechova čtvrť
- 118 Roztyly – Dvorce
- 119 Dejvická – Letiště Ruzyně
- 120 Na Knížecí – Klukovice
- 121 Sídliště Spořilov – Nádraží Braník
- 122 Chodov – Volha – Nádraží Hostivař – Léčiva  
(until 2. 4. 2006 Chodov – Nádraží Hostivař  
– Léčiva)

123	Na Knížecí – Šmukýřka	151	Českomoravská – Poliklinika Prosek	179	Nové Butovice – Letiště Ruzyně
124	Želivského – Dvorce (until 1. 9. 2006 Kavkazská – Dvorce)	152	Kobylisy – Sídliště Čimice (until 31. 8. 2006 Sídliště Ďáblice – Sídliště Čimice)	180	Sídliště Řepy – Kafkova
128	Hlubočepy – Žvahov – Hlubočepy (half-loop line)	154	Koleje Jižní Město – Skalka	181	Sídliště Čimice – Nádraží Hostivař
129	Smíchovské nádraží – Baně	155	Želivského – Sídliště Malešice	182	Kloboučnická – Sídliště Lhotka – Nádraží Braník
130	Na Knížecí – Sídliště Stodůlky	156	Ládví – Avia Letňany – Ládví (half-loop line)	183	Vozovna Kobylisy – Sídliště Petrovice
131	Hradčanská – Bořislavka	157	Na Beránku – Kačerov (operation in this direction only)	184	Nové Butovice – Petřiny
133	Staroměstská – Sídliště Malešice	158	Českomoravská – Miškovice	185	Palmovka – Letecké opravny
134	Ládví – Florenc (in operation since 3. 10. 2006)	160	Dejvická – Lysolaje	186	Černý Most – Sídliště Bohnice
135	Florenc – Želivského	161	Dejvická – Nebušice	187	Sídliště Bohnice – Ládví – Palmovka
136	Sídliště Ďáblice – Roztyly – Koleje Jižní Město	162	Kobylisy – Dolní Chabry	188	Želivského – Kavčí hory
137	Na Knížecí – U Waltrovky	163	Depo Hostivař – Štěrboholý – Bezděkovská (until 27. 5. 2006 Skalka – Štěrboholý – Bezděkovská)	189	Kačerov – Sídliště Lhotka
138	Skalka – Tolstého	164	Nové Butovice – Bílá Hora	191	Na Knížecí – Petřiny
139	Želivského – Na Beránku	166	Českomoravská – Třeboradice – Teplárna Třeboradice	192	Budějovická – Pražská čtvrť
140	Palmovka – Čakovice	167	Na Knížecí – Nemocnice Na Homolce	193	Náměstí bratří Synků – Ústavy akademie věd (until 9. 12. 2006 Náměstí bratří Synků – Mikrobiologický ústav)
141	Černý Most – Generála Janouška – Černý Most (half-loop line)	168	Palmovka – Dolní Počernice	194	Skalka – Léčiva
142	Nové Butovice – Nad Malou Ohradou	169	Kobylisy – Sídliště Čimice (in operation since 26. 2. 2006)	195	Avia Letňany – Jesenická
143	Dejvická – Stadion Strahov	170	Jižní Město – Vavřenova	196	Kačerov – Smíchovské nádraží
144	Kobylisy – Poliklinika Mazurská	171	Kačerov – Sídliště Písnice	197	Na Knížecí – Háje
145	Ládví – Jesenická	172	Smíchovské nádraží – Velká Chuchle – Smíchovské nádraží (half-loop line)	198	Sídliště Písnice – Smíchovské nádraží
146	Českomoravská – Depo Hostivař (in operation since 28. 5. 2006)	174	Velká Ohrada – Špejchar	199	Smíchovské nádraží – Nové dvory – Smíchovské nádraží (half-loop line)
147	Dejvická – Výhledy	175	Kobylisy – Šimůnkova	200	Kobylisy – Sídliště Bohnice
148	Podolská vodárna – Kavčí hory – Budějovická	176	Karlovo náměstí – Stadion Strahov	201	Nádraží Holešovice – Poliklinika Prosek
149	Dejvická – Nové Butovice	177	Poliklinika Mazurská – Skalka – Chodov	202	Poliklinika Mazurská – Za Avii / Vinoř
150	Kloboučnická – Poliklinika Modřany / Čechova čtvrť			203	Jižní Město – Vavřenova
				204	Smíchovské nádraží – Sídliště Radotín (operation in this direction only)
				205	Zelený pruh – Komořany

207 Florenc – Ohrada  
 208 Želivského – Dolní Počernice  
 210 Nádraží Holešovice – Obchodní centrum Čakovice – Čakovice  
 211 Nové Butovice – Velká Ohrada  
 212 Jižní Město – Tiskařská – Jižní Město (half-loop line)  
 213 Želivského – Jižní Město  
 215 Kačerov – Sídliště Libuš  
 216 Špejchar – Bořislavka – Nové Vokovice  
 217 Na Knížecí – Dejvická  
 218 Dejvická – Sídliště Na Dědině  
 219 Nové Butovice – Bavorská  
 224 Skalka – Strašnická  
 225 Nové Butovice – Čiolkovského – Letiště Ruzyně  
 228 Depo Hostivař – Dubeč (until 27. 5. 2006 Skalka – Dubeč)  
 229 Depo Hostivař – Koloděje (until 27. 5. 2006 Skalka – Koloděje)  
 230 Sídliště Stodůlky – Řeporyjské náměstí – Chaplinovo náměstí (until 1. 9. 2006 Sídliště Stodůlky – Řeporyjské náměstí)  
 231 Na Knížecí – Dívčí Hrad – Na Knížecí (half-loop line)  
 233 Palmovka – Obchodní centrum Čakovice  
 234 Habrová – Sídliště Skalka  
 235 Nové Butovice – Velká Ohrada – Nové Butovice (half-loop 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 (half-loop line)  
 246 Smíchovské nádraží – Lochkov – Nádraží Radotín  
 247 Chaplinovo náměstí – Pod Lochkovem  
 248 Smíchovské nádraží – Holyně  
 249 Sídliště Stodůlky – Třebonice  
 250 Černý Most – Sídliště Rohožník  
 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 – Na Mičáncích – Jižní Město (half-loop line) (until 1. 9. 2006 Jižní Město – Koh-i-noor – Jižní Město)  
 261 Černý Most – Klánovice  
 264 Depo Hostivař / Nádraží Uhřetěves – Královice (until 27. 5. 2006 Skalka / Nádraží Uhřetěves – Královice)  
 265 Depo Hostivař – Benice (until 27. 5. 2006 Skalka – Lipany – Kolovraty, until 30. 6. 2006 Depo Hostivař – Lipany – Kolovraty)  
 266 Depo Hostivař – Hájek (until 27. 5. 2006 Skalka / Nádraží Uhřetěves – Hájek, until 9. 12. 2006 Depo Hostivař / Nádraží Uhřetěves – Hájek)

267 Háje – Uhřetěves – Lipany (until 30. 6. 2006 Háje – Uhřetěves)  
 268 Depo Hostivař – Nedvězí (until 27. 5. 2006 Skalka – Nedvězí)  
 271 Skalka – Háje  
 272 Kačerov – Sídliště Písnice  
 273 Hloubětinská – Ve Žlábku  
 274 Palmovka – Avia Letňany – Palmovka (half-loop line)  
 277 Přestická – Skalka (operation in this direction only)  
 280 Českomoravská – Vinoř  
 291 I. P. Pavlova – Karlovo náměstí – I. P. Pavlova (half-loop line)

#### Suburban lines

301 Sídliště Stodůlky – Chýnice  
 305 Českomoravská – Čakovičky  
 312 Dejvická – Tuchoměřice, kulturní dům – Tuchoměřice, Štěrbův mlýn – Tuchoměřice, Špejchar – Lichoceves  
 324 Opatov – Čestlice  
 325 Opatov – Čestlice  
 326 Opatov – Jesenice – Jesenice, Belnická  
 327 Opatov – Jesenice, Osnice  
 329 Depo Hostivař – Sibiř – Škvorec, nám. (until 27. 5. 2006 Skalka – Škvorec, nám.)  
 347 Zličín – Hostivice, Staré Litovice – Motol  
 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  
 (in operation since 26. 2. 2006)  
 359 Dejvická – Únětice  
 364 Depo Hostivař – Křenice – Doubek  
 (until 27. 5. 2006 Skalka / Nádraží  
 Uhříněves – Doubek)  
 365 Českomoravská – Mratín – Kostelec  
 n. Lab., nám.  
 366 Českomoravská – Kostelec n. Lab., nám.

#### Night traffic

- 501 Na Knížecí – Jinonice  
 502 Vítězné náměstí – Suchdol  
 503 Lehovec – Sídliště Rohožník  
 504 Ohrada – Sídliště Písnice  
 505 Sídliště Čimice – Jižní Město  
 506 Sídliště Malešice – Uhříněves  
 507 Smíchovské nádraží  
 – Sídliště Zbraslav  
 508 Anděl – Sídliště Stodůlky  
 509 Čakovice – Na Beránku  
 510 Sídliště Stodůlky – Letiště Ruzyně  
 511 Florenc – Nádraží Hostivař  
 512 Lehovec – Ve Žlíbku  
 513 Jilemnická – Sídliště Lhotka  
 514 Chaplinovo náměstí – Sídliště Radotín  
 (from 11. 12. 2006 discontinued)

#### School lines

- 551 Opatov – Brechtova (operation in this  
 direction only)  
 552 Náměstí Míru – Karlov (operation in this  
 direction only)  
 553 U Slunce – Škola Dubeč  
 (in operation since 9. 5. 2006)  
 554 Ronešova – Sídliště Lehovec (operation  
 in this direction only)  
 555 Jenerálka – Žakovská (operation in this  
 direction only)  
 556 Za Horou – Škola Kyje (operation in this  
 direction only (from 1. 7. 2006 discontinued)  
 558 Bazovského – Nádraží Veleslavín (operation  
 in this direction only)  
 559 Jahodnice II – Žárská (operation in this  
 direction only)  
 560 Bílá Hora – Na Okraji (operation in this  
 direction only)  
 561 Sídliště Zbraslav – Velká Chuchle  
 (operation in this direction only)  
 563 Divoká Šárka – Červený Vrch (operation  
 in this direction only)  
 565 Stadion Strahov – Weberova (operation  
 in this direction only)  
 566 Škola Kolovraty – Picassova (operation  
 in this direction only)  
 (from 1. 7. 2006 discontinued)  
 567 Habrová – Olšanské náměstí (operation  
 in this direction only)  
 568 Sídliště Zličín – Za Slánskou silnicí  
 (operation in this direction only)

- 569 Benice – Picassova (operation in this  
 direction only)  
 570 Pitkovice – Picassova (operation in this  
 direction only) (until 3. 9. 2006 Pitkovice  
 – Picassova / Sídliště Petrovice)  
 571 Správa soc. zabezpečení – Škola Radlice  
 (operation in this direction only)

#### Special 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

- Újezd – Petřín

# Number of Passengers

## Number of passengers transported in the City of Prague territory including the outer zones and the funicular

	No. (,000)	%
Number of passengers transported in the City of Prague territory including the outer zones and the funicular	1,181,405	
P+0	1,172,712	
Outer zones	8,693	
of which:		
Metro	531,239	45.30
Tram	349,116	29.77
Bus + outer zones	301,050	24.93
Passengers transported on behalf of contractual carriers	91,684	
Total passengers by Dopravní podnik and contractual carriers	1,273,089	

**Note:** The methodology used to determine the number of transported passengers changed in 2006; passengers transported by Dopravní podnik and contractual carriers are included.

## Number of passengers transported in the City of Prague territory including the funicular by ticket type

	Number (,000)	%
Discounted adults' season ticket:		
– monthly	78,465	6.64
– quarterly	66,058	5.59
– annual	183,900	15.57
Discounted season tickets:		
– monthly	53,838	4.56
– quarterly	137,247	11.62

Season ticket with optional start of validity:		
– 30-day	110,809	9.38
– 90-day	126,490	10.71
– 365-day	1,254	0.11
Annual season tickets sold without holder's personal data	161	0.01
Transport free of charge	206,205	17.45
Single journey transfer tickets incl. P+R and AE (Airport Express)	137,246	11.62
Other season tickets	71,039	6.01
<b>Sum total (P+0)</b>	<b>1,172,712</b>	<b>99.27</b>

#### Number of passengers transported in the outer zones by ticket type

	Number (,000)	%
Supplementary coupons, adults', discounted, monthly, incl. with optional validity period	1,619	0.14
Supplementary coupons, children 6 to 15 years of age, discounted, monthly, incl. with optional validity period	278	0.02
Supplementary coupons, adults', discounted, quarterly, incl. with optional validity period	1,632	0.14
Season, short-term tickets valid in all PIT zones (30 %)	4	0.00
Single journey tickets	827	0.07
Supplementary monthly coupons and single journey tickets in outer zones, special, discounted	982	0.08
Transport free of charge in outer zones	2,746	0.23
Non-transfer tickets valid for two zones	605	0.05
<b>Sum total outer zones</b>	<b>8,693</b>	<b>0.73</b>
<b>Sum total (P+0) and outer zones</b>	<b>1,181,405</b>	<b>100.00</b>



# Workforce Indicators

## Number of employees (recorded number as of 31 December 2006)

MMT drivers	4,269
Blue-collar workers	4,388
Operational and service staff	691
Technical and administrative staff	3,251
<b>Total</b>	<b>12,599</b>

## Number of employees by profession category in 2006 (mean calculated state)

Category		
MMT drivers		4,243
of which:	Metro motormen	545
	Tram drivers	1,372
	Bus drivers	2,326
Truck drivers		121
Operational and service staff		691
Blue-collar workers		4,299
Technical and administrative staff		3,240
of which:	TA staff operating	1,368
	TA staff other	1,872
<b>Total</b>		<b>12,594</b>

**Note:** The mean recorded number of employees, adjusted to full-time employment, is calculated as arithmetic mean of the number of employees in individual calendar months. The adjustment refers to employees with other than weekly working hours – they either work as required by the company or in part-time parallel employment.

## Age structure of the workforce, recorded state as of 31 December 2006

Category	Total		Below 20		21 to 30		31 to 40		41 to 50		51 to 54		55 to 60		More than 60	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
MMT drivers	4,091	178	0	0	395	15	1,044	59	1,085	53	533	17	829	29	205	5
Blue collar workers	4,057	331	32	0	579	15	850	50	869	85	547	66	918	101	262	14
OSS	469	222	0	0	25	5	98	33	115	50	60	47	139	81	32	6
TA staff	2,067	1,184	7	4	228	90	402	208	463	342	274	218	507	293	186	29
<b>Total</b>	<b>10,684</b>	<b>1,915</b>	<b>39</b>	<b>4</b>	<b>1,227</b>	<b>125</b>	<b>2,394</b>	<b>350</b>	<b>2,532</b>	<b>530</b>	<b>1,414</b>	<b>348</b>	<b>2,393</b>	<b>504</b>	<b>685</b>	<b>54</b>
<b>Sum total</b>	<b>12,599</b>		<b>43</b>		<b>1,352</b>		<b>2,744</b>		<b>3,062</b>		<b>1,762</b>		<b>2,897</b>		<b>739</b>	

### Workforce education structure, recorded state as of 31 December 2006

Education	Number	%
University	453	3.60
Secondary with school-leaving examination	4,227	33.55
Secondary without school-leaving examination	6,325	50.20
Primary	1,594	12.65
<b>Total</b>	<b>12,599</b>	<b>100.00</b>

### Cost of labour including other wages by category and average monthly pay

	Cost of labour incl. other wages (,000 CZK)	Average monthly pay (CZK)
MMT drivers	1,282,517	25,131
Blue-collar workers	1,104,720	20,779
Operational and service staff	154,053	18,445
Technical and administrative staff	1,041,671	26,642
<b>Total</b>	<b>3,582,961</b>	<b>23,625</b>

# Economic Indicators

## Proportion of individual costs in the total cost of MMT

	(CZK ,000)	%
Direct cost (incl. cost of transport ways)	9,041,251	76.31
General operating costs	369,060	3.11
Cost of services	612,718	5.17
Cost of co-ordination and management	1,519,980	12.83
Other costs (museum, funicular, deferred tax)	305,605	2.58
<b>Total MMT cost</b>	<b>11,848,614</b>	<b>100.00</b>

## Structure of direct MMT cost exclusive of transport ways

	(CZK ,000)	%
Repair of MMT conveyances	1,567,986	26.54
Consumption of fuel, materials and traction power	1,359,844	23.01
Personnel costs of MMT drivers	2,111,415	35.74
Substitute bus transport	25,326	0.43
Depreciation of MMT conveyances	763,166	12.92
Other MMT operating costs	80,504	1.36
<b>Total direct MMT cost</b>	<b>5,908,241</b>	<b>100.00</b>

### Proportion of MMT operating cost and transport ways cost in total MMT cost

	(CZK ,000)	%
MMT operating cost	8,715,604	73.56
Cost of transport routes	3,133,010	26.44
<b>Total MMT cost</b>	<b>11,848,614</b>	<b>100.00</b>

### Proportion of individual types of cost in total MMT cost

	(CZK ,000)	%
Depreciation and deferred tax	2,702,512	22.81
Cost of labour	3,582,961	30.24
Fuel and electrical power	1,448,806	12.23
Repairs and maintenance	3,390,343	28.61
Other costs	723,992	6.11
<b>Total MMT cost</b>	<b>11,848,614</b>	<b>100.00</b>

### Calculated MMT cost per vehicle-km

	CZK/v-km
Metro	97.7054
Tram	48.3099
Bus	39.1351
Services, management	13.8940

# Revenue from Fare

## Proportion of revenues by ticket type

P+0 zones	(CZK ,000)	%
– revenue from season tickets incl. lump-sum payments, privileged tickets and duplicates	2,050,289	56.52
– revenues from individual tickets incl. ticket vending machines	1,416,382	39.05
– revenues from fare surcharges	160,867	4.43
<b>Total, zone P+0</b>	<b>3,627,538</b>	<b>100.00</b>
<b>Outer zones</b>		
– revenues from individual tickets incl. ticket vending machines	62,168	39.99
– revenues from season supplementary coupons	93,299	60.01
<b>Total, outer zones</b>	<b>155,467</b>	<b>100.00</b>
<b>Sum total P+0 and outer zones</b>	<b>3,783,005</b>	

# Summary of Travel Documents

## Single tickets valid in the City of Prague territory

Ticket type	Ticket price, CZK
<b>Transfer full-price ticket</b>	
– 75 or 90 minutes validity	20,–
purchased from bus driver	25,–
<b>Transfer discounted ticket</b>	
– 75 or 90 minutes validity	10,–
purchased from bus driver	15,–
<b>Limited-transfer tickets</b>	
– full price	14,–
– children from 6 to 15 years of age and retiree certificate holders	7,–
<b>Tickets related to the P+R system</b>	
– full-price transfer return	30,–
– one-day	60,–
<b>Short-term MTT (P+0) season tickets</b>	
– 24-hour	80,–
– 24-hour for children from 6 to 15 years of age and retiree certificate holders	40,–
– 3-day	220,–
– 7-day	280,–
– 15-day	320,–
<b>*Short-term season tickets for all zones</b>	
– 24-hour	120,–
– 24-hour for children from 6 to 15 years of age	60,–

\* 70 % share for MMT.

### Season prepaid tickets valid in the City of Prague territory

Ticket type	Ticket price, CZK
<b>Season adults discounted tickets</b>	
– monthly	460,–
– quarterly	1,260,–
– yearly	4,150,–
<b>Season discounted tickets</b>	
Children aged 6 to 15	
– monthly	115,–
– quarterly	315,–
Pupils and students aged 15 to 26 (university students up to 26 years of age)	
– monthly	230,–
– quarterly	630,–
Old-age beneficiaries and retirees (see tariff)	
– monthly	230,–
– quarterly	630,–



### Season prepaid tickets valid in the City of Prague territory, optional start of validity

Ticket type	Ticket price, CZK
<b>Season tickets issued without holder's personal data, optional validity</b>	
– 30 days	560,–
– 90 days	1,600,–
– 365 days	5,900,–
<b>Season discounted tickets issued with personal data, optional validity</b>	
Adults	
– 30 days	460,–
– 90 days	1,260,–
– 365 days	4,150,–
Children aged 6 to 15	
– 30 days	115,–
– 90 days	315,–
Pupils and students aged 15 to 26, university students up to 26 years of age	
– 30 days	230,–
– 90 days	630,–
Old-age beneficiaries and retirees (see tariff)	
– 30 days	230,–
– 90 days	630,–

### Privileged (staff) fare

Ticket type	Ticket price, CZK
– Annual for staff members	50,–
– Annual for staff family members	100,–
– Annual for retired staff and their family members	50,–

### Special tickets (Airport Express)

Ticket type	Ticket price, CZK
<b>Full-price, non-transfer</b>	
– Valid in segment Holešovice railway station - Ruzyně airport	45,–
– Valid in segment Dejvická - Ruzyně airport	30,–
<b>Discounted non-transfer for children aged 6 to 15</b>	
– Valid in segment Holešovice railway station - Ruzyně airport	25,–
– Valid in segment Dejvická - Ruzyně airport	15,–

### Single tickets valid in the outer zones

Ticket type	Ticket price, CZK
<b>Single transfer full-price tickets</b>	
– valid in four connected zones, 120 minutes	24,–
– valid in five connected zones, 150 minutes	30,–
– valid in six connected zones, 180 minutes	36,–
– valid in seven connected zones, 210 minutes	42,–
– valid in eight connected zones, 240 minutes	48,–
<b>Single transfer discounted tickets</b>	
– valid in four connected zones, 120 minutes	13,–
– valid in five connected zones, 150 minutes	16,–
– valid in six connected zones, 180 minutes	19,–
– valid in seven connected zones, 210 minutes	22,–
– valid in eight connected zones, 240 minutes	25,–
<b>Short-term season tickets valid in all zones</b>	
(30 % proportion for zones):	
– 24-hour	120,–
– 24-hour for children 6 to 15 years of age	60,–

### Non-transfer tickets valid in two outer zones

Ticket type	Ticket price, CZK
<b>Non-transfer tickets valid in two outer zones</b>	
– full-price	8,–
– for children 6 to 15 years of age	4,–

### Season prepaid tickets valid for buses and trains in the outer zones

Ticket type	Ticket price, CZK
<b>Coupons for a single outer zone</b>	
– adults, discounted, monthly	230,–
– adults, discounted, quarterly	630,–
– discounted, children aged 5 to 15, monthly	110,–
<b>Coupons for two zones</b>	
– adults, discounted, monthly	350,–
– adults, discounted, quarterly	960,–
– discounted, children aged 5 to 15, monthly	170,–
<b>Coupons for three zones</b>	
– adults, discounted, monthly	590,–
– adults, discounted, quarterly	1,620,–
– discounted, children aged 5 to 15, monthly	290,–
<b>Coupons for four zones</b>	
– adults, discounted, monthly	820,–
– adults, discounted, quarterly	2,240,–
– discounted, children aged 5 to 15, monthly	410,–
<b>Coupons for five zones</b>	
– adults, discounted, monthly	1,020,–
– adults, discounted, quarterly	2,790,–
– discounted, children aged 5 to 15, monthly	510,–
<b>Coupons for six zones</b>	
– adults, discounted, monthly	1,250,–
– adults, discounted, quarterly	3,420,–
– discounted, children aged 5 to 15, monthly	620,–

**Season prepaid supplementary tickets valid for buses and trains in the outer zones,  
with optional start of validity (introduced on 1 October 2006)**

Ticket type	Ticket price, CZK
<b>Coupons for a single outer zone</b>	
– adults, discounted, 30-day	230,–
– adults, discounted, 90-day	630,–
– discounted, children aged 5 to 15, 30-day	110,–
<b>Coupons for two zones</b>	
– adults, discounted, 30-day	350,–
– adults, discounted, 90-day	960,–
– discounted, children aged 5 to 15, 30-day	170,–
<b>Coupons for three zones</b>	
– adults, discounted, 30-day	590,–
– adults, discounted, 90-day	1,620,–
– discounted, children aged 5 to 15, 30-day	290,–
<b>Coupons for four zones</b>	
– adults, discounted, 30-day	820,–
– adults, discounted, 90-day	2,240,–
– discounted, children aged 5 to 15, 30-day	410,–
<b>Coupons for five zones</b>	
– adults, discounted, 30-day	1,020,–
– adults, discounted, 90-day	2,790,–
– discounted, children aged 5 to 15, 30-day	510,–
<b>Coupons for six zones</b>	
– adults, discounted, 30-day	1,250,–
– adults, discounted, 90-day	3,420,–
– discounted, children aged 5 to 15, 30-day	620,–

### Season prepaid supplementary tickets valid for buses and trains in the outer zones, special discount

Ticket type	Ticket price, CZK
<b>Coupons for pupils aged 6 to 15</b>	
– for a single 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,–
<b>Coupons for pupils and students aged 15 to 26</b>	
– for a single 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 valid in the outer zones, special discount

Ticket type	Ticket price, CZK
<b>Transfer tickets for pupils aged 6 to 15</b>	
– restricted transfer possibility	5,–
– for three connected outer zones, 90 minutes	7.50
– for four connected outer zones, 120 minutes	9,–
– for five connected outer zones, 150 minutes	11,–
– for six connected outer zones, 180 minutes	13.50
<b>Transfer tickets for students aged 15 to 26</b>	
– restricted transfer possibility	10.50
– for three connected outer zones, 90 minutes	15,–
– for four connected outer zones, 120 minutes	18,–
– for five connected outer zones, 150 minutes	22.50
– for six connected outer zones, 180 minutes	27,–
<b>Non-transfer short-term local tickets</b>	
– for pupils aged 6 to 15	3,–
– for pupils and students aged 15 to 26	6,–



<b>Invalid in trains operated by České dráhy except for the following railway lines</b>
– 011 in segment Prague Masarykovo Station (Central St., Holešovice St.) – Pečky
– 060 in segment Poříčany – Sadská
– 070 in segment Praha-Vršovice – Praha Central St. – Praha-Čakovice
– 091 in segment Praha Masarykovo Station (Praha Central Station) – Kralupy nad Vltavou
– 093 in segment Kladno – Kladno-Ostrovec
– 120 in segment Prague Masarykovo Station (Central St.) - Kladno
– 122 in segment Prague Central St. – Hostivice, only in fast trains (transfer single
PITS tickets and short-term prepaid tickets are not valid in stopping
trains and express trains in segment 122)
– 171 in segment Prague Central St. – Beroun
– 210 in segment Prague Central St. – Vrané n. Vlt. – Davle and Vrané n Vlt. – Měchenice
– 221 in segment Prague Central St. – Senohraby
– 231 in segment Prague Masarykovo Station (Praha Central St.) – Ostrá
– 232 in segment Lysá nad Labem - Mílovice

# Total Investment Sources and Capital Costs

## Total Investment Sources

	Total Investment Sources	of which:	
		Sources obtained in 2006 for payment of invoices due by 12/2005	Sources used to pay invoices in 2006
	(amounts in thousand CZK)		
Own sources			
Depreciation and deferred tax	2,702,512		2,702,512
Own resources overdrawn - see Note below	736,074		736,074
Own sources in total	3,438,586		3,438,586
Other sources			
Subsidy from state budget	496,707	47,884	448,823
Subsidy from City of Prague budget	5,396,178	21,563	5,374,615
Subsidy from EU Structural Funds	111,247	57,475	53,772
Other Sources in total	6,004,132	126,922	5,877,210
Sum total, Investment Sources	9,442,718	126,922	9,315,796

### Note:

Own resources were overdrawn for two basic reasons:

(1) A payment for 6 Metro sets equal to CZK 377 million was made in excess of the approved investment plan; the amount was expected to be covered in 2006 by credit, but the latter failed to materialise and the amount was thus paid from own Dopravní podnik sources.

(2) A budgetary amendment equal to CZK 460 million was effected in December 2006 comprising a transfer of an investment subsidy to a non-investment subsidy in order to increase the scheduled depreciation. Projects expected to be covered from a subsidy obtained from City of Prague budget were finally paid from own Dopravní podnik sources; austerity measures were implemented in last quarter 2006 and, as a result, the overdraft amounted only to CZK 736 million, less by some CZK 100 million than expected for the aforementioned reasons.

## Total Investment Cost

	Amounts in CZK ,000
<b>Metro capital construction</b>	
Projects in progress	
IVth segment Metro line C, stage 1	100,088
IVth segment Metro line C, stage 2	3,820,000
Technical Centre TC4	4,159
Metro station Depo Hostivař	316,000
Projects under preparation	
1st segment Metro line D	1,800
Extension of Metro line A	288
<b>Total, Metro capital construction</b>	<b>4,242,335</b>
<b>Other capital construction</b>	
Escalators replacement	116,120
Construction of tram tracks	35,972
Reconstruction of tram tracks	254,956
Reconstruction of cable lines	225,746
Construction and reconstruction of traction substations	199,874
Depots and central workshops	21,566
Garages and parking areas	50,489
Metro interlocking equipment	31,309
<b>Total, other capital construction</b>	<b>936,032</b>

<b>Rolling stock and bus fleet rehabilitation</b>	
Metro	
Reconstruction of Metro coaches	1,019,537
Purchase of new coaches - credit repayment	285,064
Purchase of new coaches - 6 sets M1	377,414
Trams	
Technical refurbishment of tram cars	470,676
Purchase of new tram cars	895,450
Buses	
Rehabilitation of buses	32,197
Purchase of new buses	244,778
<b>Total, rolling stock and bus fleet rehabilitation</b>	<b>3,325,116</b>
<b>Other investments in technical base</b>	<b>812,313</b>
<b>TOTAL INVESTMENT COSTS</b>	<b>9,315,796</b>

## Dedicated Capital Subsidies

	From the City of Prague budget	From the state budget	From EU Structural Funds
	Amounts in CZK ,000		
JPD2 - Lifts in Metro station Florenc B - barrier-free access	7,260	14,219	21,479
JPD2 - Reconstruction of tram line Sokolovská St.	18,384	38,709	57,093
JPD2 - Refurbishment of cable network, substation Klárov - Štefánik Bridge	9,059		28,134
JPD2 - Implementation of a MMT traffic preference system at some selected traffic lights	1,462	3,079	4,541
JPD2 - Funicular Petřín - retaining walls rehabilitation	0		
Tram line Hlubočepy - Barrandov	6,845		
IVth segment Metro line C, stage 1, Nádraží Holešovice – Ládví	95,871		
Modernisation of Metro coaches	560,000		
Purchase of buses - standard	141,900		
Purchase of buses - low-floor	38,100	20,700	
IVth segment Metro line C, stage 2, Ládví – Letňany	3,400,000	420,000	
Modernisation of tram cars	412,101		
Metro station depot Hostivař (twice P+R)	300,000		
Purchase of tram cars	310,000		
System of poisonous substances detection in Metro stations	7,826		
Reconstruction of tram line Ohrada - intersection	61,370		
Reconstruction of tram line Koněvova - Vápenka incl. reversing loop	26,000		
<b>Sum total</b>	<b>5,396,178</b>	<b>496,707</b>	<b>111,247</b>

### Note:

JPD2 projects are financed within the framework of the Joint Programming Document Objective 2 Prague, i.e., co-financed by the EU  
 In 2006 JPD2 projects were granted subsidies in part earmarked for payment of invoices due by December 2005, to wit, the following amounts:  
 – a subsidy from the state budget of CZK 47,884 thousand,  
 – a subsidy from the City of Prague budget of CZK 21,563 thousand,  
 – a subsidy from the EU Structural Funds CZK 57,475 thousand.  
 The subsidies used to pay invoices due by December 2005 totalled CZK 126,922 thousand.

# Comprehensive Profit and Loss Statement as of 31 December 2006 (entries in ,000 CZK)

Ident. No. ("IČ")
00005886

Name  
Dopravní podnik hl.m. Prahy, akciová společnost

Registered office  
Sokolovská 217/42  
190 22 Praha 9

Code	TEXT	Actual data for accounting period	
		Current	Previous
a	b	1	2
I.	Revenues from sale of merchandise	1,697	7,394
A.	Cost of goods sold	1,676	6,709
+	Margin	21	685
II.	Production	4,732,538	4,247,532
II. 1.	Revenue from sale of own goods and services	4,129,835	3,668,010
1.1.	Revenues from fare	3,622,138	3 202 502
1.2.	Other revenues	507,697	465,508
2.	Net of beginning and end of manufactured goods inventory	8,546	256
3.	Capitalisation	594,157	579,266
B.	Cost of materials used in manufacturing	5,105,089	4,666,246
B. 1.	Raw materials and utilities used	2,856,675	2,742,205
2.	Services	2,248,414	1,924,041
2.1.	Repairs and maintenance	770,246	595,219
2.2.	Other services	1,478,168	1,328,822
+	Added value	-372,530	-418,029
C.	Payroll	5,099,935	4,923,308
C. 1.	Wages and salaries	3,582,961	3,454,766
2.	Board members compensation and bonuses	2,929	2,434
3.	Social and health security expenses	1,270,281	1,225,572
4.	Social costs	212,770	193,782
5.	Contributory pension scheme costs	30,994	46,754
D.	Taxes and charges	68,098	59,248
E.	Depreciation and amortisation of fixed assets	2,437,077	2,305,024
III.	Revenues from sale of fixed assets and materials	190,908	806,833
III. 1.	Revenues from sale of fixed assets	6,946	585,910
2.	Revenues from sale of materials	183,962	220,923

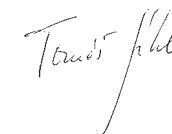
Code  a	TEXT  b	Actual data for accounting period	
		Current	Previous
		1	2
F.	Net book value of fixed assets and materials sold	176,005	694,948
F. 1.	Net book value of fixed assets sold	5,440	488,639
2.	Net book value of materials	170,565	206,309
G.	Creation of reserves and accrued expenses	105,740	-77,792
IV.	Other operating revenues	8,772,098	8,371,420
IV. 1.	Subsidies for cost defrayal	8,514,890	8,136,846
2.	Other operating revenues	257,208	234,574
H.	Other operating costs	280,772	303,670
*	Operating profit	422,849	551,818
VII.	Revenue from long-term financial assets	17,835	16,504
VII. 1.	Revenue from stakes in controlled and managed subjects and accounting units with substantial influence	17,835	16,504
X.	Interest income	17,300	28,003
N.	Interest expense	210,971	223,113
XI.	Other financial gains	24,370	23,062
O.	Other financial expenses	5,948	4,355
*	Profit/loss from financial	-157,414	-159,899
Q.	Income tax, operations	265,435	391,919
2.	- deferred	265,435	391,919
**	Profit/loss, operations	0	0
XIII.	Extraordinary revenues	0	267
R.	Extraordinary expenses	0	410,068
*	Extraordinary profit/loss	0	-409,801
***	Profit/loss, accounting period (+/-)	0	-409,801
****	Pre-tax profit/loss	265,435	-17,882

Prepared on  
14. 2. 2007

Legal form  
of accounting unit  
**joint-stock company**

Subject of business  
**Municipal mass transport  
and related activities**

Signature of statutory body  
(Signed)





# Comprehensive Balance Sheet

## as of 31 December 2006 (entries in ,000 CZK)

Ident. No. ("IČ")
00005886

Name  
Dopravní podnik hl.m. Prahy, akciová společnost

Registered office  
Sokolovská 217/42  
190 22 Praha 9

Code  a	ASSETS  b	Current Period			Previous Accounting
		Gross 1	Adjustment 2	Net 3	Period, Net 4
	TOTAL ASSETS	115,785,615	-25,468,407	90,317,208	85,941,367
B.	Fixed Assets	112,104,031	-25,345,835	86,758,196	82,372,815
B. I.	Intangible fixed assets	440,259	-361,734	78,525	74,968
3.	Software	392,334	-349,280	43,054	29,725
4.	Valuable Rights	7,082	-6,632	450	0
6.	Other Intangible Fixed Assets	25,191	-5,822	19,369	20,457
7.	Intangible Fixed Assets in Progress	14,559	0	14,559	22,715
8.	Advance Payments for Intangible Assets	1,093	0	1,093	2,071
B. II.	Tangible Fixed Assets	111,381,689	-24,984,101	86,397,588	82,046,078
B. II. 1.	Land	3,466,800	0	3,466,800	3,455,795
2.	Buildings, Halls and Structures	49,407,020	-10,553,739	38,853,281	37,979,944
3.	Individual mobile assets and sets of assets	31,798,512	-14,430,362	17,368,150	15,368,871
6.	Other Tangible Fixed Assets	34,675	0	34,675	34,675
7.	Tangible Fixed Assets in Progress	25,183,545	0	25,183,545	24,206,199
8.	Advance Payments for Tangible Fixed Assets	1,491,137	0	1,491,137	1,000,594
B. III.	Financial Fixed Assets	282,083	0	282,083	251,769
B. III. 1.	Shares and Investment in Companies with Controlling Interest	190,923	0	190,923	161,844
2.	Shares and Investments in Companies with Significant Influence	91,160	0	91,160	89,925

Code  a	ASSETS  b	Current Period			Previous Accounting  Period, Net 4
		Gross 1	Adjustment 2	Net 3	
C.	Current Assets	3,603,691	-122,572	3,481,119	3,492,484
C. I.	Inventories	562,461	0	562,461	535,637
C. I. 1.	Material	520,289	0	520,289	479,830
2.	Work in Progress and Semi-finished Goods	10,378	0	10,378	1,832
5.	Goods	1,602	0	1,602	2,685
6.	Advance Payments, Inventories	30,192	0	30,192	51,290
C. II.	Long-term Receivables	454,535	0	454,535	679,703
C. II. 1.	Commercial Receivables	452,592	0	452,592	677,796
5.	Long advance payments made	1,440	0	1,440	1 370
7.	Other Receivables	503	0	503	537
C. III.	Short-term Receivables	1,354,826	-122,572	1,232,254	1,044,616
C. III. 1.	Commercial Receivables	804,105	-121,972	682,133	422,518
6.	State - Tax Receivables	464,643	0	464,643	504,438
7.	Short-term advance payments made	32,858	0	32,858	73,534
8.	Contingencies and estimated receivables	39,755	0	39,755	32,242
9.	Other Receivables	13,465	-600	12,865	11,884
C. IV.	Short-term Financial Assets	1,231,869	0	1,231,869	1,232,528
C. IV. 1.	Cash	12,702	0	12,702	17,788
2.	Bank Accounts	1,219,167	0	1,219,167	1,214,740
D. I.	Deferrals and Accruals	77,893	0	77,893	76,068
D. I. 1.	Deferred Expense	76,968	0	76,968	76,068
3.	Deferred Income	925	0	925	0

Code a	LIABILITIES b	Current Period	Previous Period
		5	6
	TOTAL LIABILITIES	90,317,208	85,941,367
A.	Equity	60,090,993	60,067,441
A. I.	Capital Stock	30,726,125	30,726,125
A. I. 1.	Capital Stock	30,726,125	30,726,125
A. II.	Capital Funds	31,000,544	30,976,992
2.	Other Capital Funds	30,907 815	30,914,577
3.	Property Reassessment Differentials	92,729	62,415
A. IV.	Profit/loss, Previous Periods	-1,635,676	-1,225,875
2.	Unsettled Losses, Previous Periods	-1,635,676	-1,225,875
A. V.	Current Period Profit/Loss (+/-)	0	-409,801
B.	External Resources	29,569,643	25,249,238
B. I.	Reserves	100,000	0
4.	Other Reserves	100,000	0
B. II.	Long-term Liabilities	3,772,686	3,189,934
B. II. 1.	Commercial Liabilities	317,530	606
5.	Long-term Advance Payments Received	1,148	755
10.	Deferred tax Liability	3,454,008	3,188,573

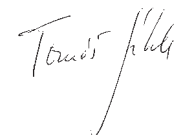
Code a	LIABILITIES b		Current Period	Previous Period
			5	6
B. III.		Short-term Liabilities	21,919,860	17,997,143
B. III. 1.		Commercial Liabilities	2,299,323	1,452,678
	5.	Liabilities to Employees	22,566	19,026
	6.	Social and Health Security Liabilities	148,074	144,336
	7.	State - Tax Liabilities and Subsidies	19,134,797	16,042,225
	7.1.	State - Tax Liabilities	42,883	42,523
	7.2.	Subsidies	19,091,914	15,999,702
	8.	Short-term Advance Payments Received	71,776	94,704
	10.	Contingencies and Estimated Payables	6,610	22,170
	11.	Other Liabilities	236,714	222,004
B. IV.		Bank Credit and Financial Assistance	3,777,097	4,062,161
B. IV. 1.		Long-term Bank Credit	3,420,767	3,777,097
	2.	Short-term Financial Assistance	356,330	285,064
C. I.		Deferrals and Accruals	656,572	624,688
C. I. 1.		Deferred Expense	55,286	56,961
	2.	Deferred Income	601,286	567,727

Prepared on  
14. 2. 2007

Legal form  
of accounting unit  
**joint-stock company**

Subject of business  
**Municipal mass transport  
and related activities**

Signature of statutory body  
(Signed)



# List of Abbreviations

<b>Dopravní podnik</b>	Dopravní podnik hl. m. Prahy, akciová společnost
<b>MMT</b>	municipal mass transport
<b>PITS</b>	Prague Integrated Transport System
<b>SPŠD, a.s.</b>	Střední průmyslová škola dopravní, a.s.
<b>IDS a.s.</b>	Inženýring dopravních staveb, a.s.
<b>TA staff</b>	technical and administrative staff
<b>P+R</b>	parking place of type “Park and Ride”
<b>OW</b>	other wages
<b>EU</b>	European Union
<b>UITP</b>	Union Internationale des Transports Publics
<b>JPD2</b>	Joint Programming Document Objective 2
<b>SLA</b>	Service Level Agreement
<b>P+0</b>	zones covering the City of Prague territory

# Auditor's Report

## Report of an independent auditor on an audit of annual financial statements as of 31 December 2006, intended for the Board of Directors and shareholders

We have audited the enclosed financial statements of the company Dopravní podnik hl.m. Prahy, akciová společnost, comprising the Balance Sheet as of 31 December 2006, the Profit and Loss Statement covering the period from 1 January 2006 until 31 December 2006, and the attached Schedule including a description of the major bookkeeping methods employed. Data referring to the Company are stated in the Schedule to the financial statements.

### Responsibility of the statutory body of the accounting unit for the financial statements

In conformity with applicable Czech accounting regulations the statutory body of the company Dopravní podnik hl.m. Prahy, akciová společnost, is responsible for compilation and true presentation of the financial statements. The responsibility includes inter alia the obligation to propose, implement and carry out internal audits concerning preparation and true presentation of the financial statement in a manner ensuring that they do not contain material inaccuracies attributable to fraud or error; to select and implement appropriate bookkeeping methods and carry out accounting estimates conforming to a given situation.

### Responsibility of the auditor

It is our task and responsibility to give an award concerning the submitted financial statements on the basis of the effected audit. We have carried out the audit in conformity with the International Auditing Standards and the corresponding application appendices of the Chamber of Auditors of the Czech Republic. In compliance with the above regulations we are obliged to observe ethical standards and carry out the audit in a manner sufficient for reaching reasonable certainty that the financial statements do not contain material inaccuracies.

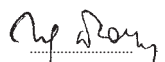
The audit comprises auditing procedures undertaken to obtain evidence of amounts and facts stated in the financial statements concerned. Selection of the auditing procedure employed rests with the auditor, including assessment of the risk that the financial statements contain material inaccuracies attributable to fraud or error. In assessing such risk the auditor has taken into consideration the internal checks relevant for compilation and true presentation of the financial statements. The objective of assessing the internal checks is to propose suitable auditing procedures and not to express an opinion of the suitability of the internal checks. The audit also contains assessment of suitability of the bookkeeping methods employed, adequacy of the accounting estimates made by the management, and assessment of the overall presentation of the financial statements.

In our opinion the evidence obtained is sufficient and suitable to express our award.

### Auditor's Award

In our opinion the submitted financial statements reflect in a true and fair manner the assets, liabilities and financial situation of the company Dopravní podnik hl.m. Prahy, akciová společnost, as of 31 December 2006, as well as the costs, revenues and economic results of the Company for the year 2006 in conformity with applicable Czech regulations.

Prague, 9 March 2007

  
Ing. Zdeněk RABAS, Auditor  
Chamber of Auditors' Certificate No. 647  
Responsible for preparation of the Audit



  
A & CE Auditři a znalci Praha, s.r.o.  
Praha 4, Bělehradská 17  
Chamber of Auditors' Certificate No. 157  
By: Ing. Rostislav Otřisal, CSc.  
Auditor and Executive Secretary

## Annual Report 2006

Dopravní podnik hl. m. Prahy, akciová společnost

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Dopravní podnik hl. m. Prahy,  
akciová společnost



