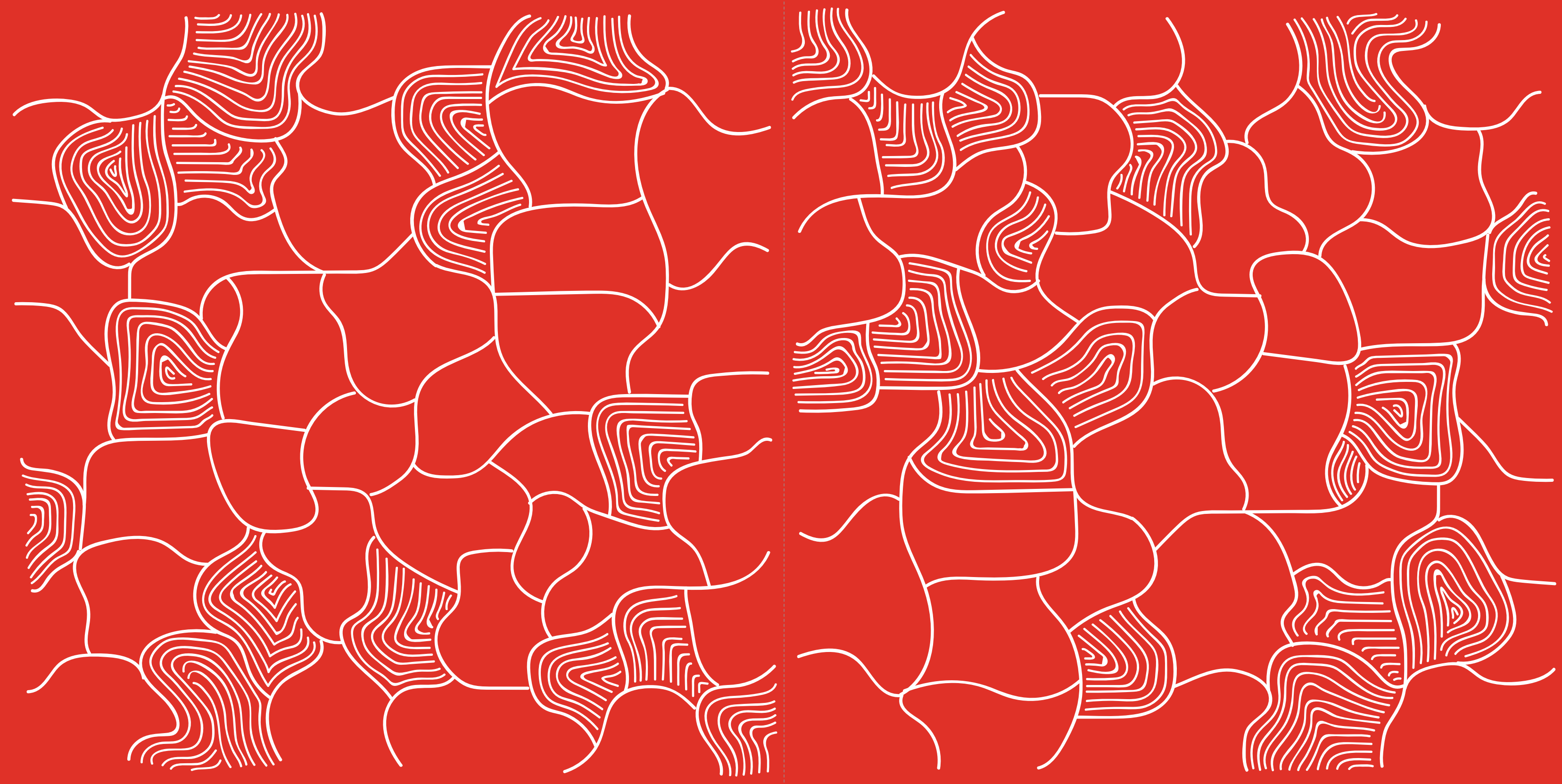


Annual report 2017





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Opening Speech by the Chairman of the Board of Directors and Managing Director of the Prague Public Transit Co., Inc.

Dear Readers,

It is with great pleasure and pride that I can recapitulate the past year as the Chairman of the Board of Directors of the company that accompanies Prague's citizens and visitors of Prague from the whole Czech Republic and abroad on their everyday trips. All our employees do their best to help in provision of transport service in maximum quality and under economically effective conditions.

We fulfil the order of transit performances of the Capital City of Prague and dispatch all transit line connections duly and in time as we committed to. It is necessary to point out that the volume of transit performances increased in 2017 and the order of transit performances from the Capital City of Prague recorded a growth as well. This growth occurred in several stages and concerned all types of transport; trams in March, metro and buses at the end of April and buses again in October. Repairs and modernization of tram tracks with a number of necessary traffic closures and so the need to ensure alternative transport continued as well.

On top of that preparation of new tram tracks and commissioning of electric buses got further. In particular construction and putting of the first section of track for dynamically-recharged electric buses was a historic milestone. Metro stations are undergoing significant

modernization and their barrier-free access is constantly improving, including establishment of Wi-Fi signal at selected metro stations. Passengers can use Wi-Fi connection to access the on-line security information system of the Prague Public Transit Co., Inc. We endeavour to accelerate modernization of our vehicle fleet and in general to maintain the technological development on maximum level. Our company succeeds in finalizing investment projects and preparing new ambitious investments. The year of 2017 was significant as regards shift towards opening of realization of the I.D. metro construction project. On the basis of phasing of the I.D. metro construction project, approved by the Council of the Capital City of Prague in July 2017, preparation processes for the D metro line construction commenced with the geological survey. At the same time the process of public tender for a strategic partner that would allow for further development of the territory within localities of the I.D. metro line has been launched.

We can be proud of our economic outcomes. The Prague Public Transit Co., Inc. achieved the economic outcome after tax in the amount of TCZK 1,900,898 for the accounting period of 2017. This economic outcome consists in particular of reported and so planned appropriate profit amounting to TCZK 1,551,010; this was fully utilized for the corporate investment expenses of transport means recovery.

The main differences compared to the plan were identified in the area of revenues in higher revenues from fare by TCZK 226,675. The Prague Public Transit Co., Inc. continued in savings in operating costs, reflected in particular into lower financial volume of purchased services, i.e. by TCZK 157,593, and into the area of fuel consumption in the amount of TCZK 98,760 specifically mainly due to more favourable price and lower consumption in total litres.

In terms of human resources the company remains stable also during the rapid economic growth. Since there is a lack of selected professions on national level, we would like to keep our drivers and employees ensuring operating support and recruit new ones. This is evidenced by the decision of the Board of Directors of the Prague Public Transit Co., Inc. made on the basis of expected economic outcome for 2017 to pay out special remunerations to public mass transport drivers and employees in selected professions ensuring operating support. I am confident that the Prague Public Transit Co., Inc. is a good employer and potential applicants for employment in our company can notice that we appreciate our employees.

I would like to take this occasion to express my thanks to all almost 11 thousand colleagues for their hard work in the year 2017. Thanks to working efforts of all of us the Prague's public mass transport is of the first choice of citizens and visitors of Prague. This obliges us not to only maintain quality of our services, but improve them in the future. In fact, quality of our services is the key benefit of our company at negotiations concerning continuance of contractual relation between the Prague Public Transit Co., Inc. and the Capital City of Prague from the year 2020 and concerning future scope and share of our transit performances. All that also with respect for tradition, growing interest in our services among passenger and last but not least international award as the fifth best public mass transport company in the world.

Mgr. Martin Gillar,
Managing Director and Chairman of the Board of Directors
of The Prague Public Transit Co., Inc.

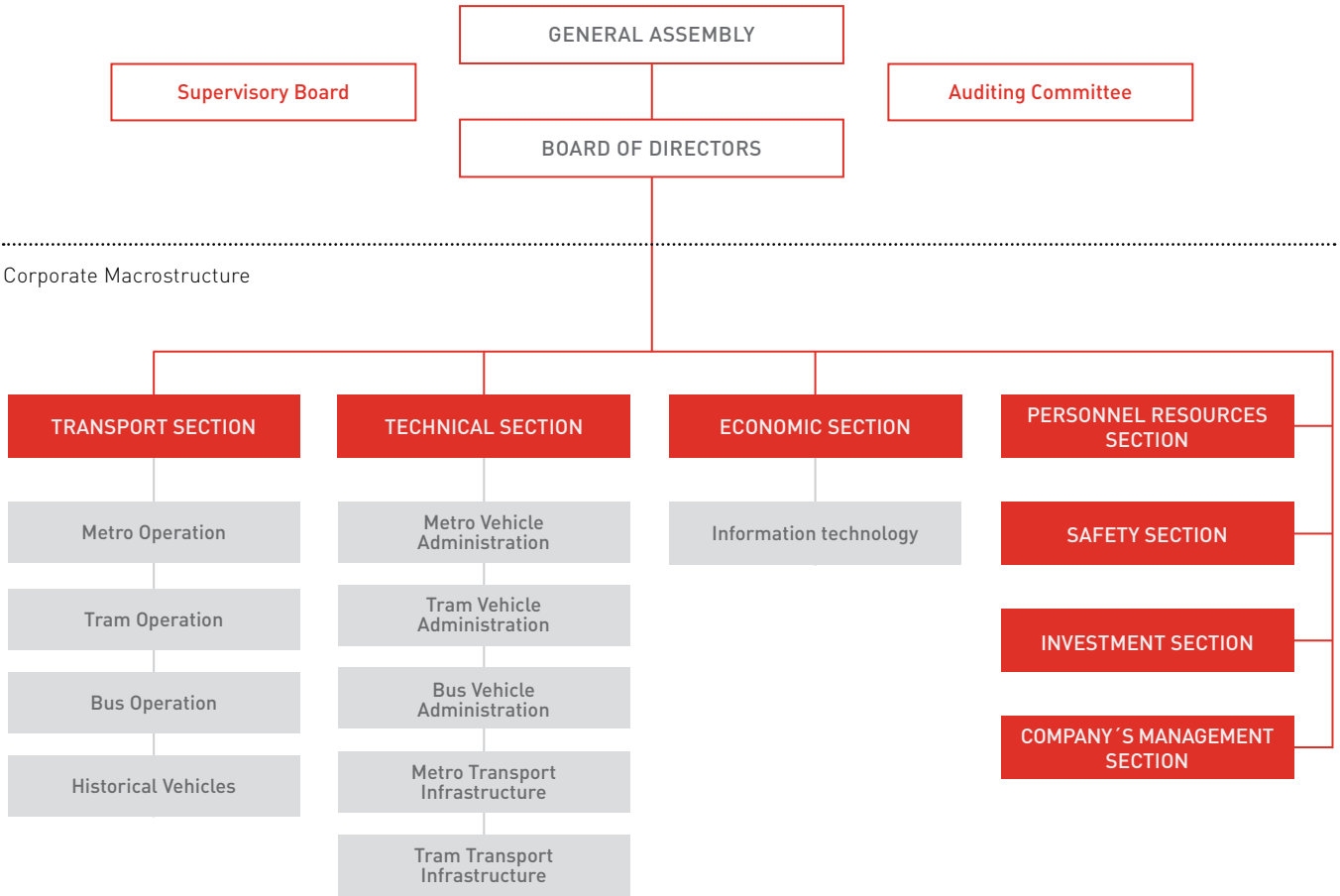


Basic Identification Data on the Company

Company's name:	Dopravní podnik hl. m. Prahy, akciová společnost
Registered office:	Sokolovská 217/42, 190 22 Prague 9
Company's ID No.:	00005886
Vat No.:	CZ00005886
Date of foundation:	19. 3. 1991
Date of establishment:	11. 7. 1991
Legal form:	Joint-stock company
Founder:	The Capital City of Prague
Entities having share in the company's capital stock:	The Capital City of Prague 100 %
Companies Register:	Prague Public Transit Co., Inc. was entered into the Companies Register maintained by the Municipal Court in Prague on 11. 7. 1991, file ref. Rg.: B 847 (in Section B, Insert No. 847)
Capital stock:	CZK 31,239,495,000

Organizational Chart as of 31. 12. 2017

Company's Bodies



Company's Bodies

Organizational Structure in 2017

Board of Directors

The company's Board of Directors worked in the composition in the year of 2017: Mgr. Martin Gillar, the Chairman of the Board of Directors, JUDr. Jan Blecha, the Vice-Chairman of the Board of Directors, PhDr. Jiří Špička, Ing. Jan Šurovský, Ph.D. and Ing. Ladislav Urbánek, the Members of the Board of Directors. No changes in the composition of the Board of Directors occurred at the course of the year.

Supervisory Board

The company's Supervisory Board held its meetings in the composition in the year 2017: Petr Dolínek, the Chairman of the Supervisory Board, Mgr. Petra Kolínská and Ing. Jarmila Bendová, the Vice-Chairmans of the Supervisory Board, Jiří Obitko, the Vice-Chairman of the Supervisory Board, JUDr. Petr Novotný, Martin Slabý, Ing. Marek Doležal, Petr Šimůnek, Ing. Petr Hlubuček, Jaroslav Štěpánek, Bc. Jan Kolář, Vratislav Feigel, Jan Lebeda, Ing. Peter Hlaváč and Ing. Vojtěch Kocourek, Ph.D., Members of the Supervisory Board.

The following personnel changes took place at the Supervisory Board at the course of the year 2017: Membership at the Supervisory Board expired to Bc. Oldřich Schneider and Václav Pospíšil as of 6. 6. 2017. On 6. 6. 2017, the General Assembly removed Josef Buriánek from the office of the member of the Supervisory Board and elected Ing. Peter Hlaváč, Vratislav Feigel and Jan Lebeda to the office of the members of the Supervisory Board as of 7. 6. 2017.



Audit Committee

The company's Auditing Committee worked in the following composition in the year of 2017: Ing. Aleš Michl, the Chairman of the Auditing Committee, Ing. Zdena Javornická, the Vice-Chairman of the Auditing Committee, and Ing. Ladislav Langr, the Member of the Auditing Committee. No changes in the personnel composition of the Auditing Committee occurred at the course of the year.

Company's Management

Organizational Structure in 2017

Managing Director

Mgr. Martin Gillar held the position as the Managing Director in 2017.

Director in Charge of the Economic Department

Ing. Peter Hlaváč held the position as the Director in charge of the Economic Department in 2017.

Director in charge of the Investment Department

JUDr. Jan Blecha held the position as the Director in charge of the Investment Department in 2017.

Director in Charge of the Transport Department

Ing. Ladislav Urbánek held the position as the Director in charge of the Transport Department in the year 2017.

Director in Charge of the Technical Department

Ing. Jan Šurovský, Ph.D. held the position as the Director in charge of the Technical Department in the year 2017.

Director in Charge of the Security Department

RSDr. Antonín Fedorko held the position as the Director in charge of the Security Department in the year 2017.

Director in Charge of the Human Resources Department

PhDr. Jiří Špička held the position as the Director in charge of the Human Resources Department in the year 2017.

Managing Director	Mgr. Martin Gillar	1. 1. 2017 – 31. 12. 2017
Director in charge of the Economic Department	Ing. Peter Hlaváč	1. 1. 2017 – 31. 12. 2017
Director in charge of the Investment Department	JUDr. Jan Blecha	1. 1. 2017 – 31. 12. 2017
Director in charge of the Transport Department	Ing. Ladislav Urbánek	1. 1. 2017 – 31. 12. 2017
Director in charge of the Technical Department	Ing. Jan Šurovský, Ph.D.	1. 1. 2017 – 31. 12. 2017
Director in charge of the Security Department	RSDr. Antonín Fedorko	1. 1. 2017 – 31. 12. 2017
Director in charge of the Human Resources Department	PhDr. Jiří Špička	1. 1. 2017 – 31. 12. 2017

Calendarium 2017

January

On 11th January, it was exactly 25 years from the day when suburban buses were firstly dispatched behind the borders of the Capital City of Prague. They were bus line No. 351 from the Českomoravská station to Hovorčovice and bus line No. 352 from Stodůlky to Ořech.

February

On Thursday 9th February, the two hundredth tram of 15T type arrived ceremonially to the Těšnov track loop and was named after the Olympic games’ medallist, weightlifter and former employee of Elektrické podniky – Václav Pšenička.

After one and half year of usual operation with passengers the SOR EBN 11 electric bus reached one hundred thousand kilometres. The vehicle, which was tested on the line No. 213 by the Prague Public Transit Co., Inc. for a long time, conquered the limit of kilometres in the location between Bělocerkevská and Želivského bus stops on Wednesday 22nd February at 7:57 AM.

March

On Friday 24th March at 20:05 PAM the regular operation of T3SUCS trams was terminated with storing the tram set No. 7269+7174 at the Žižkov depot.

Saturday 25th March became a real feast day for fans of Prague’s trams and history. Operation of the nostalgic line No. 23 was ceremonially started at the Královská tram loop during morning hours and at the same time the 15T tram was named after the designer of vehicles – František Kardaš. The Public Mass Transport Museum opened its 25th season.

April

Easter closure on the C metro line, particularly at the Vltavská station, was used for “Blind persons in metro” instructing. With the help of the fire brigade of the Prague Public Transit Co., Inc. and employees of JPM our blind citizens could try movement at the metro station, map the area at the metro set and outside it and survey the trackage. They were also instructed what to do in case of a fall into the trackage.

Medium-size recovery of point switches and crossing took place at the Florenc C metro station during the Easter holidays from 14th till 18th April 2017. Works included in addition to others complete replacement of the rail section of point switches. During this recovery, rails of length approximately 1 200 m in the section of I.P. Pavlova – Florenc, 1st rail, were also replaced.

May

On Wednesday 24th May, vestibules of the Prague metro experienced a dancing marathon. The second year of the Prague Public Transit Co., Inc. project together with the Dance in Prague association made passengers to dance at six vestibules of Prague metro. Passengers could experience various dancing styles from classic dance, Latin dance, tango, swing, country up to modern and less known dances during thirty dance performances.

June

The traditional event Pražské muzejní noci (Prague Museum Nights) were organized as every year on the second Saturday in June. The Prague Public Transit Co., Inc. ensured transport between individual buildings during this event, specifically through 10 special museum’s bus lines.

On 19th June, the popular Kinobus was dispatched to its tenth film tournament. In total figures more than 14 thousand spectators visited 57 projection events and could watch both new Czech films and comedies as well as gems from foreign production.

July

Due to track repairs the C metro line was closed between Florenc

and Pražského povstání stations for nine days from 1st July to 9th July. Track ties, some rails, dilatation equipment and brackets were replaced and power transformers were relocated.

In addition to the most occupied Infocentre of the Prague Public Transit Co., Inc. a new Infocentre was established almost four years after the first information kiosk at the northern part of the Hlavní nádraží station had been opened to public, the second Infocentre was made accessible to public at the southern part of the hall.

On 3rd July, the popular lubricating tram was put into trial operation with extended functions. Most likely the most popular Prague’s tram manages in addition to lubrication also irrigation of grassed-over tram section and newly it can monitor temperature and air environment quality.

August

On Wednesday 23rd August, the Prague Public Transit Co. Inc. re-opened for passengers the B metro line station – Jinonice. The Prague Public Transit Co. Inc. decided to reconstruct this station due to massive leaks of ground water, degradation of drainage system and bearing station paving. It was realized from 7th January till 23rd August and required putting this station out of operation.

September

On Friday 1st September, DPP commemorated 120 years from commencement of activities of Elektrické podniky královského hlavního města Prahy (“Electric Enterprises of the Royal City of Prague”), of which DPP is direct successor. The former company was established on 1st September 1897 and it was operated under the name of Městské elektrické podniky (City Electric Enterprises) during the first months of its existence. Apart from operation of public mass transport it was also producer and distributor of electricity.

On the occasion of 120 years of establishment of Elektrické podniky královského hl. m. Prahy another one of 15T trams was named after the first director of this company – František Pelikán, who became the head engineer of Elektrické podniky in his 42 years of age.

DPP was opened to public on Saturday 16th September. Curious visitors could see back offices of the Pankrác carriage shed and Kačerov garage and depot.

October

On Sunday 15th October, the Prague Public Transit Co., Inc. put the new trolley track in the Prosecká street in Prague – Libeň ceremonially into operation. It simultaneously commenced trial operation of electric bus with dynamic recharging SOR TNB 12 and static electric bus SOR 12. A morning event, when people could think back to termination of trolley-buses operation 45 years ago, encountered extraordinary interest from the public.

On 10th October, the Pankrác carriage shed celebrated its round 90th anniversary. Design of the T3 Coupé tram captured attention of the jury during the 19th year of the fair of design and fashion – Designblok and this tram was awarded by a special prize “for exceptional feat out of categories”.

November

The traffic-safety event “There is no way back” was organized by DPP in cooperation with the Police of the Czech Republic already for the eighth time.

The third youngest Prague carriage shed – Motol commemorated 80 years from its first operation through commented visits.

December

On Friday 1st December, the educative tramcar with special decoration informing passengers about fight against AIDS was dispatched into streets of Prague. In total 9 our cities with tram operation joined this event. As a tradition, St. Nicholas Day with distribution of presents was celebrated at the Střešovice depot.

Passengers can ride the specially decorated 15T ForCity tramcar No. 9401 on the tram line No. 9 from the first day in December till The Three Wise Men. This tramcar was specially decorated with lights and with the lighting silhouette of an angel on the back vehicle platform it contributed to Christmas atmosphere in Prague.



Transport

Quality of Services

Well-functioning and consistently developing quality management system, which takes the needs of customers into account and satisfies their expectations, is the precondition for achieving success when DPP ensures public transit of passengers.

Quality management is ensured in DPP by the Transport Department. Implemented quality standards in compliance with the requirements and recommendations in the EN 13816 standard allow for improvement of the level of services provided in DPP. In framework of the Service Quality Program DPP monitors, analyses and with the measures taken helps improving the level of fulfilment of individual quality standards. Tendencies in individual quality standards prove the high level of service provided - transportation of passengers, and satisfy the long-term company's target - improvement of the level of public city transit service provided in Prague and in its vicinity, and thereby improving satisfaction of passengers.

The service quality program guarantees regular measuring of quality standards:

- **On-time operation** – on-time operation and reliability of transport, observance with the timetables
- **Information to public** – provision of actual and comprehensible information

- **Approach to passengers** – the level of behaviour and approach to passengers taken by our operation workers
- **Working uniform** – appearance of an employee – tidiness of an employee, observance with the working uniform discipline
- **Functionality of transit ticket vending machines** – overall functionality and reliability of transit ticket vending machines and completeness of informative elements on these machines
- **Accessibility of barrier-free equipment** – operating reliability of passenger elevators and special platforms at metro stations, making the public transport accessible mainly to passengers with disability of movement and orientation
- **Fulfilment of the graph of operation (GVD)** – fulfilment of the volume of planned transit performances
- **Transit availability in metro stations** – observance with the guaranteed metro transit availability to passengers
- **Cleanliness and appearance of vehicles** – monitoring the external and internal cleanliness and appearance of vehicles
- **Operation safety** – analysis and evaluation of events with impact on passengers' safety
- **Impact of metro vehicles and buses operation on the environment** – monitoring the impact of operation of metro and buses on the environment (production of emissions)

Performance of the Quality Standards in 2017

Quality standard	Level of demandingness of performance	Performance
On-time operation	85% of connections are performed on-time or within a permitted deviation	91,77
Information in the metro stations	90% of stations are equipped with actual, legible, official and visibly placed information	98,26
Information in metro vehicles	95% of vehicles are equipped with prescribed information	98,34
Information at land transit stops	90% of stops are equipped with actual, legible, official and visibly placed information	98,40
Information on and in land transit vehicles	95% of vehicles are equipped with prescribed information	99,22
Approach to passengers	90% of passengers are satisfied with behaviour of employees	95,30
Working uniform	95% of employees wear working uniforms and satisfy the request for tidiness	99,56
Functionality of the land transit ticket vending machines	90% of transit ticket vending machines are functional and in terms of design they are acceptable	94,42
Accessibility of barrier-free equipment in metro	90% of equipment is accessible and has adequate design	96,82
Performance of GVD	99.75% of performance of the planned volume of kilometres per vehicle	100,00
Availability of metro transit	98.5% of stations are available during operating hours	99,42
Cleanness and appearance of vehicle	85% of vehicles are perceived clean and in maintained condition by passengers	90,28
Operation safety	Metro, trams and buses operation safety	Fulfilled
Energy demandingness for metro vehicles operation	The determined energy demandingness was not exceeded (100%)	86,28
Impact of buses operation on the environment	Share of buses under 12 years of service life including will not drop under 60%	60,97

In 2017, the quality management systems underwent a review in terms of fulfilment of the requirements imposed by criteria standards through auditing performed by a supranational certification organization.

Overview of Performed QMS External Audits in 2017

Department	Certified processes	Type of auditing	Standard	Certification Organization
Transport Dpt.	Public transport of passengers Operation of the Public Transport Museum.	Recertification	ISO 9001 EN 13816	LRQA
Transport Equipment Service	Ensuring of operability of the metro transport equipment	Certification	ISO 9001	
Establishment of the Central BUS Workshops	Repair of compression ignition engines, gearboxes, axles and braking, air-controlled and electric components in road motor vehicles	Recertification	ISO 9001	
Logistics Dpt.	Central purchasing and storage for needs of the Prague Public Transit Co., Inc.	Recertification	ISO 9001	
State Technical Inspection Centre	Operation of the state technical inspection activities	Recertification	ISO 9001	
Establishment of the Tram repair workshop	Repairs and modernization of electric machines and apparatuses in traction vehicles, undercarriages and tram casings, gearboxes and components for rail vehicles	Recertification	ISO 9001	

Auditors of the certification organization did not find any serious deficiencies and confirmed fulfilment of the requirements imposed by the standards concerned and suitability of preparatory works for transition to a new standard version (CSN EN ISO 9001:2016). Auditors assessed as strengths of our quality management systems under review professional competence of our employees and helpful approach towards passengers.

In order to enhance the level of service provided in the territory of the Capital City of Prague and in its vicinity we cooperated in assessment of PID quality standards. The ROPID company always evaluated DPP as a „Transporter with high quality“, which is the maximum positive assessment.

Transport Network Development

Metro

In 2017, three metro lines – A, B and C were in operation. The number of stations is 61 on metro lines in the total length of 65.4 km.

Since 29th April 2017, zone operation on the A metro line was terminated in the section Nemocnice Motol – Petřiny. The operating day of Friday (working days = Monday – Friday) was cancelled on all tracks and operation was strengthened on all tracks during evening hours.

Trams

The tram network, which as of 31 December 2017 had 142.7 km of track, was served by 25 daytime and 9 night lines with a total track length of 557.3 km.

A historic tram line was in operation on Saturdays, Sundays and holidays during the tourist season from 25.3. till 19.11. 2017. On 25th March 2017, the historic tram line No. 91 was renumbered to No. 41. Since 29th April 2017 the night lines No. 51–59 were renumbered to No. 91-99.

On 25th March 2017, tram line connections were changed. A new tram line No. 23 (Královka – Zvonařka) was established. Line No. 15 (Kotlářka – Olšanské hřbitovy) was coupled and tracks of tram line No. 13 (Černokostelecká – Čechovo náměstí) and tram line No. 21 (Radlická – Sídliště Modřany/Levského) changed. Further closures of local nature took place, for example closure of tram track in the Nuselská and Michelská streets, in the Antonínská street, near the Botanická zahrada tram station, in the Nuselské valley (the Albertov – Otakarova section) and in the area of Palmovka.

Buses

As of the end of 2017, the Prague Public Transit Co., Inc. operated 96 daytime urban bus lines, 14 suburban bus lines, 19 school bus lines, 15 night urban bus lines and 1 line for persons with disability of movement in the Prague Integrated Transit (PID) system within the communication network with length of 839.9 km. The total length

of all 145 lines was 1 827.40 km. On 29th April 2017, night bus lines No. 501-515 were renumbered to No. 901-915 and bus lines No 605 to 955. On 8th October 2017 routes of some lines were changed and night operation of bus lines was strengthened. Further smaller changes of routes and parameters of bus lines occurred.

On 15th October 2017, the trolley-bus track between the Kundratka and Kelerka bus stops was put into operation for the future trolley-bus line No. 58 (with dynamic recharging) in the Palmovka – Letňany section.

Transit Performances

The total transit performance of urban and suburban lines in the Prague Integrated Transit (PID) system, operated by DPP, including a special line transport for persons with disability of movement and orientation, reached 165 099 thousand of kilometres per vehicle. Volume of transit performances expressed in km per one place (mkm) represents 22 569 561 thousand of mkm (see the table).

As it concerns transit performances in km per vehicle (vozkm) an increase by 1.75% was recorded compared to the year 2016 and the volume of km per one place recorded a growth by 2.99%. This difference was affected significantly by a higher number of deployed articulated vehicles to the detriment of the standard vehicles (further deployment of 15T trams, restoration of 14T trams operation and in particular higher deployment of articulated buses).

Services for Passengers with Disability of Movement and Orientation

Metro

From the total number of 61 metro stations as of the end of 2017, 44 stations were made accessible through public passenger elevators, slanting staircase platforms or direct barrier-free entrances. It concerns 10 stations on A line (Nemocnice Motol, Petřiny, Nádraží Veleslavín, Bořislavka, Dejvická, Můstek, Muzeum, Strašnická, Skalka, Hostivař depot), 17 stations on B line (Zličín, Stodůlky, Luka, Lužiny, Hůrka, Nové Butovice, Smíchovské nádraží, Anděl, Národní třída, Můstek, Florenc, Palmovka, Vysočanská, Kolbenova, Hloubětín,

Rajská zahrada, Černý Most) and 17 stations on C line (Letňany, Prosek, Střížkov, Ládví, Kobylisy, Nádraží Holešovice, Vltavská, Florenc, Hlavní nádraží, Muzeum, I.P. Pavlova, Vyšehrad, Pankrác, Budějovická, Roztyly, Chodov and Háje). The Opatov station on the C line allows for barrier-free movement accompanied by trained personnel through goods lift.

Buses

The guaranteed low-floor vehicles are being deployed on all daytime urban lines, 12 night lines and 11 suburban lines. In total 687 low-floor buses were dispatched during working days in 2017, which represent 73% of dispatched vehicles.

Trams

Guaranteed traffic connections are also ensured for all daytime lines within the tram network. Dispatching of low-floor tram vehicles was extended in particular due to supplies of new vehicles of 15T type and vehicles of 14T type were again put into operation. As of the end of 2017, in total 188 guaranteed low-floor vehicles, i.e. 43% from the total number of dispatched tram trains, were dispatched during working days.

Historic Vehicles

The Public Transport Museum’s season was opened on 25th March and ended on Sunday 19th November. Attendance of the museum was comparable to the last year’s attendance during weekends and working days. The first day of opening the museum associated with start of operation on the nostalgic line No. 23 was the exceptional one. A record-breaking number of 2 654 visitors was recorded on this day. This number was even higher compared to attendance during the Prague Museum Night, when 2 223 visitors came. In total figures, 23 308 visitors came to see exhibits about the history of Prague city transport, out of it 2 763 visitors during business days.

The museum was opened 4 days for free during the past season – on the occasion of opening the museum’s season on 25th March, during the festival of Museum Nights on Saturday 10th June, on the Day of European Heritage and the Month of Healthy Six on Saturday 16th

September and exceptionally in framework of the European Week of Mobility on Monday 18th September. Almost 5 500 people took the opportunity of free admittance.

As the historic tram line operated during the museum’s season is concerned, it was renumbered from the No. 91 to No. 41. This change concerned only designation, other parameters of the popular tram line remained unchanged.

Interest in contractual rides on historic trams is constantly growing.

Museum and commercial historic vehicles participated in a number of significant events at the course of the year, as for example opening of operation on the nostalgic tram line No. 23, celebrations of the Prague Integrated Transit (PID) in Letňany, public re-enactment of attempt on life of Reinhard Heydrich on the occasion of 75 years of this event – up to 1 500 people rode on the museum trolley-bus Tatra T400 in the Prosecká street during the presentation rides.

Public Mass Transport Preferences

Works on the “Preferences of the Public Mass Transport in Prague” project continued in cooperation with the municipal bodies, the traffic department of the Police of the Czech Republic and other organizations during the past year.

As the tram operation is concerned, in total 160 m of separating sills was laid, specifically in the U Plynárny street and Křesomyslova street. As of the end of the year 2017, approx. 12.5 km of these separating shaped pieces were laid.

At the course of the year 2017, three light signalling equipment (SSZ) were equipped with tram preferences, one light signalling equipment was put out of operation. The number of light signalling equipment with tram preferences reached 79.5% from the total number of 249 as of the end of the year 2017 (the total number of light signalling equipment changed due to record-keeping change from the side of operator – division of selected light signalling equipment to two parts).

As bus operation is concerned, reserved traffic lanes were newly marked on 5 300 m and the total length of reserved traffic lanes reached 45 km as of the end of 2017. 8 light signalling equipment were added and their number reached 225.

Timetables

At the course of 2017, in order to ensure operation of the DPP’s lines in total 9 252 records were processed in the database of graphical timetables. This number was affected in particular by closures in the metro network, tram and bus network operation. The valid graphical timetables are adapted to the transit demand. So, graphical timetables for the standard holiday’s limitations during summer are processed, but also for closures during Easter or autumn holidays, limitation of operation in January, June or during Christmas and New Year’s Day holidays. If any change of timetable occurs, it is necessary to prepare graphical timetables for each operating day and process all supporting documents for DPP lines operation and provide actual information to passengers through timetables on stops and through actual locator of line connections on DPP’s web pages.

Transit Inspection

A significant shift towards collection of claims from transport occurred this year. After termination of cooperation in assigning of claims with the Fidentia s.r.o. company, mandate agreements were concluded with AK Mgr. Roman Ambrož, Mgr. Stanislav Bodlák, Mgr. Martin Zikmund and with the association of advocates KGS legal. The new act on public procurement/Section 29 (k) of the Act No. 134/2016 Coll. was applied, when the tendering authority is not obliged to place any public order. New agreements were signed during February and March 2017.

The Prague Public Transit Co., Inc. in cooperation with the ROPID organization prepared a very extensive campaign “You do not ride without a valid ticket”. Aim of this campaign is to reduce the number of passengers without a valid ticket, since their number is not decreasing during the last years. The test version of an application was launched. This app reminds passengers, who travelled without a valid ticket, when they have to pay penalty on time, i.e. when they

can pay penalty in the reduced amount of CZK 800 instead of the non-reduced penalty of CZK 1,500. At the same time the Council of the Capital City of Prague through its resolution of 17th October 2017 approved reduction in surcharge to fare to CZK 400 in case when a passenger purchases the annual or as the case may be 365-day coupon to the PID card or to the “Lítačka” with records of personal data during the period between the first day and at the fifth day after imposition of surcharge to fare.

138 joint inspections in cooperation with the Metropolitan Police and the Police of the Czech Republic were organized with respect to observing the transit-tariff discipline by passengers within PID. This intensive cooperation was affected by a threat of possible terrorism and from this situation more important tasks for the police emerged. Despite this fact we managed to organize inspections on night tram lines on daily basis.

Apart from sanctions 2 846 persons were included from transport due to their appearance showing overall neglect and whose behaviour and cloths bothered other passengers, polluted vehicle or passengers area.

Number of imposed penalties	Income from penalties in MCZK
273 741	154,04
i.e. -8.6% compared to the year 2016	i.e. +11.1% compared to the year 2016

Transit and Transport Researches

In 2017, we conducted transport surveys within the PID network, which served as a base for designing transport in the territory of the Capital City of Prague and its adjacent regions, of which target was to reach optimal harmonization of transit offer with demand:

- Regional survey on total 73 bus lines in the northern area of the Capital City of Prague, including the adjacent region, conducted in April;



- Regional survey on total 39 bus lines in the north-western area of the Capital City of Prague, including the adjacent region, conducted in October;
- etro transit surveys at the maximum profile of individual tracks at the regular monthly intervals;
- Surveys of operative character were conducted at the course of the year:
 - We were reviewing the transit capacities of vehicles of substitute bus transport (for example closure of the Jinonice metro station, closure of tram track in the Nuselské valley or closure at the C metro line section),
 - We were monitoring intensities of individual motor transport

- and regularity of PID transport as a base for introduction or modification of preference measures,
- We were monitoring the regular PID lines at selected stations,
- We were conducting review surveys of error-free functionality of automatic counters of passengers in metro,

In November and December, data collection was performed through the system of automatic counting of passengers, which was tested at two SOR NB18 vehicles, dispatched from the Hostivař garage (the most often lines Nos. 125, 136 and 188). In this connection we performed a number of surveys to verify accuracy of the system.

Thanks to successful installation of the continual remote data transfer from the automatic counters of passengers at all metro stations in November 2016, we received turnover of passengers from the entire metro network for 365 days in 2017.

After extension of ASW Surveys with diagnostic tools we installed the continual detailed data diagnostics from all metro stations in 2017. Verification surveys of functionality of automatic counters can be now better directed to particularly diagnosed inconsistencies or errors.

According to results from the transit surveys the means of transport of the Prague Public Transit Co., Inc. transported in total figures 1,165,031 thousand of passengers in the year 2017, out of it:

- 435,586 thousand of passengers through metro,
- 373,831 thousand of passengers going by tram and using the Petřín funicular,
- 349,095 thousand of passengers going by the city bus lines, including ZLD and AE,
- and 6,519 thousand of passengers using suburban lines including external zones.

Rate of Accidents

In 2017, accident rate increased by 6.07%; year-to-year increase amounted to 200 accidents [3494/3294].

As the metro operation is concerned, the number of accidents increased with 8 [16/8], the tram operation recorded an increase with 219 accidents [1572/1353] and bus operation recorded a decrease with 27 accidents [1906/1933].

The number of accidents caused by DPP’s employees recorded a growth with 8.48% on year-to-year base; growth amounted to 100 accidents [1279/1179]; out of it due to metro operation no accident was caused by DPP’s employees (0/0), due to tram operation an increase with 44 accidents [235/191], and due to bus operation an increase with 56 accidents [1044/988].

During traffic accidents of DPP’s vehicles 5 persons were killed, which is the same number compared to 2016 [due to metro operation 2/2, due to tram operation 3/2, due to bus operation 0/1].

Information for Passengers

Information on timetables, line connections, tariff rates, tickets etc. form a substantial part of services offered by the Prague Public Transit Co., Inc. to passengers. Accurate, actual and high quality information belong in this area to the most demanding ones and they contribute to creation of positive awareness of the entire enterprise’s activities among the general public.

Passengers can find them in printed, electronic or acoustic form for example at metro stations, land transport stops and directly in vehicles. Other printed information materials, which are updated with substantial changes on line connections, tariff rates etc. appear also for example at stands, the so-called wire program at metro stations.

Information events, which received the greatest feedback from the public in 2017, included definitely for example three more extensive permanent changes in PID operation (changes in several tram lines in March, including introduction of the nostalgic line No. 23, renumbering of all night tram and bus lines and also other bus lines in April, an in particular more significant modifications in the night bus transport in October). In addition to information material to a given change they also required updating and modification of permanent information material with displayed line connections at vehicles, at stops and metro stations. In April, maps of Prague with drawn PID network were printed and installed at metro stations and at land transport stops.

We must mention situation at the beginning of summer holidays, when it was necessary to issue information materials for five commenced closures at tram operation all at once or information measures associated with construction and then commissioning of lifts at the Palmovka station that became the 44th barrier-free metro station.

As other planned and exceptional events with impact on line connections, permanent and temporary changes (for example closures of metro sections by reason of necessary repairs of track, closures in the tram operation – we can mention for example longer closures of tram operation in the area of Palmovka or Nuselské valley, which took place at several stages with various traffic measures) were concerned, in addition to textual noticeboards at the land transport stops concerned information with a lay-out plan of the given area were prepared for 28 more significant events. Leaflets of a number of various types were printed in total for 34 events (the number of leaflets for individual events differs according to gravity and impact on line connections). 185 press releases for eventual use in the print and on DPP’s web pages and 151 announcements at the metro station were prepared concerning the topic of temporary or permanent changes within the Prague Integrated Transport (PID) at the course of the year. Big signboards were used for 37 events to inform about more significant changes within the Prague Integrated Transport (PID) operation. These big signboards are managed directly by DPP and located in areas affected by a change.

Informers, who were informing passengers about traffic measures in relation to a change concerned directly in situ, were deployed at large extent at important traffic junctions and in places affected by changes during transit closures. They were deployed during 30 events.

In order to update and maintain information at the land transport stops 2 490 rides [growth by approx. 12% compared to the previous year] to all tram stops and to bus stops equipped with stops markers in assets of DPP were realized in 2017, both on the territory of the Capital City of Prague and also in the adjacent region served with the Prague Integrated Transport lines (placement and removal of transportable stop markers during temporary traffic measures, adaptations and changes of stop information elements, replacement of stop timetables [this year in the total number of 103 300 pieces – thanks to better coordination of preparation works a drop by approx. 2% compared to the previous year, distribution, installation and again removal of information noticeboards after termination of an event, changes and small maintenance of noticeboard accessories of stop

markers etc.]. As all realized traffic measures, closure and regular states are concerned in the year 2017, 6 494 pieces of information system elements were produced for passengers and placed on stop posts informing about actual information for the given stop.

Some other information materials to passengers were also issued in updated form, as they are for example notepads of sheets in A3 format with the map of streets in the city and chart of line connections of metro or trams and after permanent changes in April new composite maps of Prague with drawn line connections within the Prague Integrated Transport (PID). The offer of various types of information material was also completed with a pocket-format foldable book with charts of night tram and bus operation and daytime metro and tram operation.

Transport Information Centres

Transit Information Centres (SDI) provided passengers with information on the Prague Integrated Transport operation and tariff rates, ensured sale of individual tickets and also time-limited transit documents and last but not least also free distribution of information materials and sale of promotion materials and souvenirs with the public mass transport topic also in 2017.

In 2017, a significant change occurred at the Hlavní nádraží station. The hoped-for second information centre was put into operation at half of the year. It helps the original Centre of Transit Information to attend enormous number of customers requiring services of our company in this important locality. In 2017, SDIs attended to more than 1.5 million of passengers with the share of clients speaking foreign language reaching again 37%. Over 82% of visitors then purchased some of the offered transit documents. The information office situated at the Hlavní nádraží station remained the most occupied one, followed by Information Centre in Anděl, which was however closed temporarily due to reconstruction of vestibule at half of September. The total revenues reached more than MCZK 730, which represents a growth with 12% compared to the previous year. Rising attendance at SDI Můstek or SDI Václav Havel Airport and last but not least the new office at the Hlavní nádraží station contribute the most to the growth in revenues.



Technique

Significant projects realized in 2017 included completion of realization of the barrier-free access to the Palmovka station and reconstruction and modernization of some metro stations. As reconstruction of tram tracks is concerned, the most important ones were reconstruction of tram tracks in the Albertov – Otakarova section and set of constructions “Palmovka block”. Number of barrier-free tram stops recorded a growth to the actual 77% from the total number. Construction of trolley-bus track in the Prosecká street cannot be neglected.

As the metro vehicle fleet is concerned the number of vehicles in operation remained unchanged in the year 2017 like during the previous years. The average service life of vehicles is regularly increased by one year. We did not maintain the average service life of bus vehicle fleet under nine years, since the anticipated recovery of vehicle fleet was not realized this year. Low-floor trams of 15T type are gradually replacing old trams and the average service life of tram vehicle fleet remained almost the same like in 2016. Putting of part of 14T vehicles out of operation and higher percentage of mends were reflected negatively to the trams percentage of mends.

Company's Fleet

Metro

As of 31. 12. 2017, the operating metro fleet consisted in total of 730 vehicles, out of it:

- vehicles of 81-71M type - 465 units, which underwent reconstruction
- vehicles of M1 type – 265 units

It concerns a steady number and no increase is expected for the coming period. The operating state of metro fleet does not include 2 historic sets, consisting of 3 Ečs vehicles and 5 vehicles of 81-71 type. These sets are intended for realization of the “Experience

tourism” program. The total percentage of mends was 12.78% for the year 2017. The average service life of operating vehicles was 12.35 years.

Trams

As of 31. 12. 2017, the operating tram fleet consisted of in total 830 vehicles having the following parameters:

- articulated low-floor trams – 326 units
(48 × KT8D5.RN2P, 57 × Škoda 14T, 221 × Škoda 15T)
- solo low-floor trams – 34 units (T3R.PLF)
- solo high-floor trams – 449 units
(82 × T6A5, 314 × T3R.P, 34 × T3R.PV, 19 × T3M2DVC)
- solo high-floor trams intended for the nostalgic line – 21 units
(1 × T3SU, 16 × T3SUCS, 4 × T3M)

From view of the fleet development, putting of 25 units of new Škoda 15T trams into operation was the crucial moment. Possibility of modernization of T3R.PV trams with replacing the vehicle casing for partly low-floor type – modification to the proved T3R.PLF type was verified with the first pilot unit in cooperation with companies KOS Krnov and Cegelec. Acquisition of low-floor vehicles is necessary in order to fulfil the objectives of the Concept of removing barriers at the Capital City of Prague. After acquisition of suppliers of all components performance of the so-called small modernization was commenced at that time due to defect (cracking of cross bars) of parts of vehicles Škoda 14T which were put out of operation. The first vehicle was completed already in 2017 and a work schedule was determined for the remaining 35 vehicles.

In connection with supplies of new vehicles and repairs of Škoda 14T trams older trams were put out of operation according to the approved time schedule – strategy of vehicle fleet management

of August 2016. Trams of type T3M, T3SUCS and T6A5 put out of operation were offered for re-sale, operable vehicles are sold mostly to Ukraine or Bulgaria like during the previous years, and vehicles not in working order are taken over by companies dealing with scrap liquidation. Gift of 10 units of T3SUCS trams to the city of Mariupol was an extraordinary act. Based on an order from the Capital City of Prague a nostalgic line with operation of older types of trams has been established since March 2017. 16 units of T3SUCS trams and 4 units of TRM trams intended originally for re-sale were appropriated for this nostalgic line.

In 2018, development of company’s fleet will run according to the updated strategy of the tram fleet of September 2017. Supplies of Škoda 15T trams (the target number of 250 units) will end. KT8D5 trams from the Hungarian Miškolec will be modernized to KT8D5. RN2P trams (2 units under progress as of 31. 12. 2017) in cooperation with external partners. The project of modernization of T3R.P trams or as the case may be T3R.PV to the T3R.PLF type will continue (second unit before completion as of 31. 12. 2017). 45 units of T6A5 trams are expected to be put out of operation.

The average service life of operating vehicles was 10.88 years as of 31. 12. 2017. In 2018, this value is expected to be decreased due to supplies of Škoda 15T trams. The total percentage of mend for the year 2017 was 17.51%. Its decrease is anticipated in the year 2018 due to repairs of Škoda 14T trams that were put out of operation for a long time. We will face a great challenge of decreasing the percentage of mends of Škoda 15T vehicles. This percentage of mends is in particular due to time demandingness of repairs after accidents and complaints for components within guarantee service of new products.

Buses

As of 31. 12. 2017, the operating bus fleet consisted of in total 1 169 buses.

- 482 articulated buses (including 394 low-floor buses)
- 622 buses of standard length (including 474 low-floor buses)
- 65 midi buses (all with low-floor design)

Expected recovery of the company’s fleet unfortunately was not realized at the course of the year. Only 7 new buses were put into operation, out of it 2 articulated low-floor buses SOR NB 18, 1 partly low-floor bus Crossway LE and 1 articulated low-floor bus SOR NB 18 was repurchased. Further we rented – large-capacity articulated low-floor bus Mercedes Benz CapaCity L, partly low-floor bus SOR BN12 LE and low-floor electric bus SOR NS 12 Electric. This bus replaced the electric bus SOR EBN 11 (this bus drove respectable 144 thousand kilometres during the testing operation). The Prague Public Transit Co., Inc. was awarded with the Czech Technology Platform Smart Grid Award for the year 2017 for its innovative project of dynamically recharged trolley-bus SOR TNB 12. This trolley-bus was tested in the section Palmovka – Letňany.

The Prague Public Transit Co., Inc. in compliance with the resolution made by the Council of the Capital City of Prague No. 114 of 26th January 2016 ensured hire and follow-up operation of large-capacity buses on the bus line No. 119. The already mentioned large-capacity bus Mercedes Benz CapaCity L, which has been deployed into operation since August 2017, and trial operation of Van Hool bus. Operation of this bus ended on 20th March 2017 due to a traffic accident.

The total percentage of mends for the year 2017 was 8.33% and the average service life of operating vehicles was 9.56 years.

Intra-corporate transport

The company was ensuring services with passenger, freight and special vehicles, building machines and machinery during the course of the year 2017.

In compliance with the approved electric mobility development plan at the Prague Public Transit Co., Inc. the Intra-company Division commenced implementation of the first stage out of the three planned stages, specifically in form of recovery of employees’ electric vehicles. The first stage consists in three-year lease of ten passenger electric vehicles. Out of ten passenger electric vehicles seven vehicles were taken over in December. The remaining three

electric vehicles will be delivered in the beginning of the year 2018. The second stage envisages replacing of employees’ vehicles with delivery electric vehicles. Ten delivery electric vehicles are expected to be delivered in the year 2018. Recovery of company fleet with acquisition of a new emergency vehicle for towing of buses on the TATRA PHOENIX undercarriage continued under standard conditions. This new emergency vehicle replaced the VOLVO emergency vehicle from the year 1995. A three-axis vehicle with a hydraulic arm is used for carrying tram undercarriages. Further we acquired a single-way vehicle with a telescopic platform for the Overhead power lines division and two new tractors for towing of buses at operation. A new freight platform vehicle and a freight metering cable vehicle were acquired within recovery of vehicles. All new vehicles comply with the EURO VI emission limits and thereby contribute to improvement of the air environment in Prague.

Transit Tracks

Metro

The Metro Transit Track Unit ensured operation, maintenance and repairs of technological systems.

The central supply system, of which base consists of the input supply cables 22 kV with the total cables length of 493 km from 15 distribution centres 110/22kV PRE to 18 electric power stations and 22 kV distribution cables with the total length of 495 km, 70 electric stations - out of it 25 distribution transformer stations, 1 substation and 44 substations and distribution transformer stations, where 342 units of transformers are located, out of it 97 traction transformers and 245 distribution transformers, the traction supply network with cable network 302 km in length. The lighting system consists of 42 000 units of lamps located in public areas, 44 700 units of lamps located in service areas and 24 300 units of lamps in track tunnels, at connections, ventilation shafts etc., i.e. in total approx. 111 000 units of lamps, the lighting control system, 157 units of uninterrupted power sources (UPS), automated systems for dispatcher’s control of electric equipment and lighting. Security and automation facilities, which consist of the station and track security equipment, the stationary part of train security systems at all metro

tracks, automated system for the dispatcher’s transit management ASDŘ-D.

Communication equipment, i.e. telephone equipment, including telephone network of DPP’s buildings, DPP’s access system, the electric fire signalling systems (EPS), the electronic security signalling (EZS), the industrial television system (PTv), clock’s equipment, radio equipment, dispatching system, information systems (AIS, VIP), the technological optical network, the systems for guidance of blind persons, equipment for radio connection (VKV) etc. Metro stations, tunnels and operating/constructional works, which represent 61 metro stations, 169 km of single-track and 108 km of tunnels. The mentioned length of rails covers 139 km of tracks (including connections between tracks and connections to depots), 5 km of testing tracks, 23 km of tracks at depots and approx. 2 km of industrial rail from the Kačerov depot to the Czech Railways track. 108 km of tunnels consist of 88 single-tracks and 20 km of double-tracks.

Rail vehicles on independent traction used for maintenance and repairs on metro tracks: 37 driving vehicles, 3 special driving vehicles and 108 driven vehicles.

The transport equipment consists in total of 266 arms of escalators, 155 elevators and 5 platforms.

Mechanical/technological equipment, which consists of 175 ventilators in the main ventilation system, 1 603 air-conditioning equipment, 5454 fire seals and fire wall-type closures, 419 equipment of the control system (ASDŘ-T), 518 gully pumping stations and pumping stations, 25 exchanger stations and 13 boiler rooms.

Equipment of the metro protection system, in addition to the basic mechanical/technological equipment, consists of special equipment designed for filtration-ventilation, pressure protection, equipment to ensure independent energy and water sources. The metro protection system also includes an anti-chemical warning system at some stations.

We can mention from projects of higher extent in 2017 in particular realization of barrier-free access to the Palmovka station. Access is provided with two elevators in the western vestibule and it was put into operation on 14th November 2017.

Closures during extended weekends were used for realization of renovation of trackage at the double rail connection and its gravel bed at the southern head of the Florenc C metro station and replacement of wooden sleepers with concrete sleepers on the 1st and 2nd rail in the section I.P. Pavlova – Muzeum C and on the 1st rail in the section Pankrác – Pražského povstání. Planned replacement and grinding of rails were also realized.

Constructional maintenance of stations and metro buildings underwent continuously and it cost MCZK 104 at the course of the year. We should mention for example the first stage of repairs at the Vltavská station, continuous redevelopment of leaks at metro stations and buildings, 2nd stage of repairs of metro tubus in the section Rajská zahrada – Černý Most, repairs of edges at metro platforms, measures against birds at stations and many others. 22 kV power lines were modernized in the section I.P. Pavlova – Vyšehrad. Installation of the stationary section of the train security system LZE was successfully completed on the B metro line. This system is actually in trial operation.

In 2017, we continued in realization of the complex security system (KBS) project, in particular reconstruction of the CCTV industrial TV system and radio system at other metro stations, securing of other ventilation shafts with the electronic signalling system (EVS) and reconstruction of the access system (EKV). Further reconstruction of the automated dispatcher's transit management system (ASDŘ-D) was underway at other metro stations.

We repaired gully pumping equipment and pumping equipment and discharge pipeline. Water distribution system was repaired at 4 metro stations, followed by reconstruction of the tunnel water conduit in the section Můstek – Muzeum. Ventilators in the main ventilation system were repaired at the Háje metro station and at the Čechovy

sady ventilation shaft. Machinery section, electric installations and pressure protection system at ZTC1 underwent repair at the basic technical centres (ZTC) and automated start of diesel power units at ZTC 3 was performed in order to secure the B metro line in case of black-out.

All professional departments of the Metro Transit Track Unit participated at various stages of preparation or realization of extensive investment projects this year. They included in particular reconstruction of the western vestibule at the Palmovka metro station including replacement of 5 arms of escalators and construction of barrier-free access. The first stage of reconstruction of the platform at the Muzeum A metro station was completed. Reconstruction of the Jinonice station was ended. Additional installation of escalator at the Nádraží Veleslavín metro station was commenced, then reconstruction of the eastern vestibule at the Palmovka metro station including replacement of escalators, reconstruction of the Skalka station including replacement of escalators, reconstruction of the vestibule at the Anděl metro station including replacement of escalators. We proceeded to project preparation of the demanding reconstruction of floor slab at the Florenc C metro station, which is connected to construction of two arms of escalator and lift in direction to the bus station and overall reconstruction of the vestibule at this station. We work on preparation of projects concerning barrier-free access to the Opatov, Karlovo náměstí and Jiřího z Poděbrad metro stations. Construction of the new D metro line is under project preparation.

Trams

The Tram Transit Track unit (JDCT) ensured operation, maintenance and repairs of technological systems under its administration. In 2017, the process of tram tracks modernization continued with the target to enhance transit comfort, shorten running time and extend the service life with the use of modern constructions and last but not least to decrease the noise level.

The year 2017 brought one big project, which we realized from our own funds, - completion of reconstruction of the tram track Nuselská



- U Plynárny (commenced in 2016) in the section Plynárna Michle - Chodovská and repair of connected tram track in the Chodovská street. This repair consisted in laying of new panels in most sections including construction of a new asphalt base and replacement of central panels between track rails with bituminous cover that is more suitable for united tram and bus operation on the track body.

The most significant construction of the Top Construction division JDCT was an extensive reconstruction of tram tracks in the vicinity of Palmovka, the so-called Palmovka block project. Firstly, tram track in the Sokolovská street in the section between U Balabenky and Českomoravská streets underwent reconstruction, followed by reconstruction of the tram track in the Na Žertvách and U Balabenky streets. Then another track section in the Sokolovská street between U Balabenky and Zenklova streets was reconstructed and track section in the Zenklova street between the Sokolovská and Na Žertvách at the last stage. In all cases the original track that was constructed mainly from large-size panels was replaced with a solid track in the W-Tram system on a concrete slab with poured asphalt cover.

The Palmovka block project also included replacement of adjacent rail structures or their parts, including connecting arches. This way the entire rail structure at the crossing of Sokolovská x U Balabenky was replaced, then double-rail branches at the crossing Balabenka leading from Palmovka, double-rail branches at the crossing Sokolovská x Zenklova leading from bottom Palmovka towards Ohrada and Karlín and three-way double-rail branches at the crossing Na Žertvách x Zenklova leading from the Sokolovská street. Rails of NT1 profile were laid in most sections that underwent reconstruction. Rail profile 60R1 with higher strength (290 GHT-CL) was tested (this should allow for repeated welding on) on the exposed part of the rail construction Sokolovská x U Balabenky, i.e. branches from the crossing Balabenka and from the U Balabenky street including connecting arches. This profile was also used in the connected track section in the U Balabenky street including the arch U Balabenky – Na Žertvách. A stationary grease box was also installed at this arch. These measures are intended to enhance

transport comfort, decrease the noise and vibration level and extend service life of the track superstructure. Continuous monitoring and evaluation of conditions have proved these positive aspects since commissioning.

During summer months, the track section in the Klapkova street between the swinging area Březiněvská and Kobylisy carriage shed underwent reconstruction. The original track laid on large-size panels from 1990 was replaced with a solid track in the W-Tram system with NT1 rail on concrete slab with poured asphalt cover. This construction was implemented by an external contractor.

During the same period, general repair of the tram track in the Antonínská street between Strossmayerovo square and crossing by the Vltavská metro station were underway. This general repair consisted of replacement of arches at the Strossmayerovo square by the Church of St. Anthony. At the same time the connecting arch on the rail construction by the Vltavská metro station in the direction of Vltavská – Strossmayerovo square was replaced.

In terms of extent, reconstruction of the tram track in the Nuselské valley in the section Albertov – Otakarova cannot be neglected. The original track from the year 1986 laid on large-size panels was replaced by a solid running track in the W-Tram system with the NT1 rail profile on concrete slab with poured asphalt cover. Due to the bridge constructional height a reduced rail profile Ri57A and reduced W-Tram system construction were applied on the bridge over the Botič river near the Ostrčilovo square. A provisional solution was applied due to unresolved proprietary relations at the first arch between the Jaromírova and Křesomyslova streets (in the direction from the city centre). A part of the arch in the direction towards the city centre was only provided with new panels. After proprietary relations are resolved, this arch will be constructionally adapted into its final form. In coordination with the 1st stage of TSK investment project the stop island at the Albertov stop in the direction to the city centre was extended. At the same time the Svatoplukova stop in the direction from the city centre was modified provisionally, when the original stop island was replaced with a provisional stop cape in

shifted position. Within further stages of the continuous TSK project all stops in this section will be constructed into their final form with barrier-free access.

In 2017, we completed reconstruction of rail supports at the Kobylisy carriage shed. Further we constructed a stationary lubricating box at the so-called round of the Žižkov carriage shed. Constructional works were performed at the Central workshop to extend the assembly pit on the 14th rail and this will be followed by similar modification on the 4th rail in 2018.

A lot of smaller repairs or replacement of rails and rail structures were performed at the course of the year. These works were primarily focused on removing of sections with speed limits for trams.

The first more significant event of this type was replacement of 120 m of rails and construction 2x1 at the Výstaviště swinging area. In April, new panels were laid on the tram track on the Libeňský bridge between the Libeňský bridge and Jankovcova street in the direction to the city centre – total length of 120 m. In May, five connecting arches were replaced on the very occupied rail structure at the Vinohradská x Jana Želivského crossing.

In June, very exposed parts of rail structures were replaced in Žižkov – those driven mainly by the frequent tram line No. 9, specifically two double-rail branches at the crossing near Nákladové nádraží Žižkov and double-rail branches at the Ohrada crossing. Simultaneously general maintenance of tram tracks between Senovážné square and Nákladové nádraží Žižkov and between Olšanské square and Flóra was performed. Apart from others in total 6 rail strips were replaced at arches and thereby we achieved removal of frequent speed limits for trams in this section. Further whole arch between Olšanské square and Jičínská street was replaced , repair of areas with disrupted geometry position of rails (GPK) took place on the Senovážné square and in the Olšanská street. We managed to remove another section with speed limit for trams with laying of new panels to the Spojovací swinging area at the beginning of July.

Further the tram track on the E.Beneše quay between the Čechův and Štefánikův bridge underwent more extensive maintenance. Approx 100 m of the track were provided with new panels and double-rail branches of the adjacent rail crossing near the Čechův bridge were replaced at the turn of August and September. In parallel with reconstruction of the tram track in the Nuselské valley the double-rail branches at the Na Slupi x Svobodova crossing were replaced in the direction from Ostrčilovo square including connecting arches. In November, disassembly of unused rail couplers on the tram track in the Minská street took place. The original surface made from large-size paving was replaced with bituminous cover. Rail crossing 1x16 in the middle of the tram track in the Chotkova street was replaced at the same time. In December, the frequented arch near the Jelení ditch was replaced in the Chotkova street as well as double-rail branches in the direction from the Chotkova street at the Klárov x Nábřeží E. Beneše crossing within maintenance of tram track.

Apart from the mentioned projects a number of smaller projects were realized, mainly replacement of point switches, arches, welding-on of arches and grinding.

In most cases modernization of trackage was accompanied with modernization of trolley lines. We must mention the most extensive project of reconstruction of tram track, called collectively the Palmovka block, during which the trolley lines in the Na Žertvách street and partly in the Sokolovská street and Zenklova street underwent reconstruction. This project followed the reconstruction of tram track in the Balabenka area.

Reconstruction of tram track titled RTT Albertov – Otakarova was performed during the last three months in the year, namely in Na Slupi, Jaromírova and Křemyslova streets. Recovery of trolley lines was also realized during this event, even though only partly.

Last but not least emergency replacement of individual trolley towers for example in the Nádražní street and Na Ohradě street cannot be left out.

Construction of trolley track in the Prosecká street was a separate project. Complete trolley lines were installed in the length of 993 m in the direction from the city centre and 615 m in the direction to the city centre, in the section from the crossing of Prosecká x Čuprova streets up to the Kelerka stop. After landscaping and installation of earthing network, a technological assembly consisting of two prefab units Betonbau was installed on the DPP's land adjacent to the bottom section of the Prosecká street in order to provide supplies to this track, specifically distribution station for connection to the superior PRE distribution station and substations. Energy supplies to the trolley lines are provided through air cable route from the substation.

Further disassembly of the recharging station for electric buses took place in the area of the Želivského bus stop and the existing stationary recharger of electric buses ("Dobudka") was relocated to the new recharging point located in the area of Palmovka bus terminal, where short trolley lines were also constructed. Power supplies to this point are provided from the adjacent section of the tram trolley lines in the Na Žertvách street.

In particular replacement of junction boxes with plastic ones, renovation of suction cables to rails and reconstruction of cable lines at tram stops were performed within modernization of cable network. Another markers at tram stops were provided with LED lamps in compliance with the program of electric energy consumption reduction.

Replacement of cable route in the length of approx. 700 m was done in the area of supply network of the substations Červený vrch and Vokovice. Supply junction boxes are being gradually repaired in the form of replacement of screwed busbars with disconnectors facilitating more operative and safe manipulation in the energy network.

In order to reduce propagation of stray current and its effect, in particular on older metal gas pipeline, one polarized drainage was established within the RTT Nuselská – U Plynárny project.

Reconstruction of tram tracks also brought renovation or installation of new electrically-controlled point switches (EOV).

In total 11 EOv and 1 unit of lockable acceleration switch with signalling (U) were realized. 1 unit of a separate heated switch was also realized during reconstruction. The light signalling equipment was completed at crossings with tram detection through preference inputs – in total 6 units.

The year 2017 brought also higher number of tram stops with barrier-free access. In June, the Olšanská tram stop was reconstructed for barrier-free access within the Barrier-free Prague project. In connection with the 1st stage of reconstruction of roads and pavements in the Nuselská street under supervision of TSK the Horký tram stop in direction from the city centre was made accessible to public in December. This will be followed by other stops in this street in framework of remaining stages of the TSK investment project. Together with provisional operation of the Svatoplukova tram stop in the direction from the city centre within reconstruction of the tram track in total four tram stops were put into operation. The actual amount of barrier-free stops is 77% within the tram network.

Revision

The main scope of activities is to guarantee to the entire company in terms of valid legislation for proper operation of the equipment and technical supervision over proper operation of the Defined Technical Equipment [hereinafter “UTZ”) pursuant to the Act No. 266/1994 Coll. and the Reserved Technical Equipment (hereinafter “VTZ”) pursuant to the Act No. 174/1968 Coll., which belong under the competency of the Railway Authority and TiČR. These activities concerned in 2017 revisions of UTZ and VTZ (gaseous, pressure, electric, lifting and transport equipment) within determined and exceptional dates. The Inspection department is the holder of two authorizations for performance of technical inspection and tests issued by the Ministry of Transport of the Czech Republic pursuant to the Act No. 266/1994 Coll.

In total figures, 3252 revisions, operating revisions, inspections and tests and technical inspections and tests were performed.

Facility Management

It ensures the technical facility management of individual complexes in metro depots, tram carriage sheds, bus garages, the Sokolovská administrative building, the Central Dispatching building, network of sanitary facilities at end stations, recreation centres, lands and other buildings.

In 2017, approximately 2 578 cases were resolved by means of the HelpDesk repairs and service of buildings application and 1 857 cases in the new ServisDesk repairs and service of buildings application. In total 4 435 cases.

In 2017, an insourcing project was approved for TSO, or as the case may be extension of activities performed by company’s own resources in the area of electric installations maintenance that had been ensured by external suppliers earlier. 43 new jobs were established in framework of outsourcing.

In the area of environmental protection, the Environmental dpt. updated other 11 plans of measures in connection with emergency pursuant to the Act on Water Management (Act No. 254/2001 Coll.). In compliance with requirements of amendment of the Act on Air Environment Protection we filed at Town Council of the Capital City of Prague applications to permit operation of 5 waste treatment plants that became the listed sources. Due to prevention, the Environmental Protection Division continued in monitoring of hot water distribution pipeline, focused in particular on monitoring of pathogenic bacteria legionella.

Power Engineering

In 2017, we continued in enforcing positive changes in contractual relations, and thereby decreasing costs of energies. Another area of priority was discovering and enforcing of possible savings on energies.

Electric energy

The Prague Public Transit Co., Inc. is currently the biggest metropolitan electric energy consumer. In 2017, the total electric energy consumption was 372 mil. kWh. Financial costs of electric energy amounted to MCZK 738 for the year 2017. 242 mil. kWh was consumed for traction operation of metro and trams. Costs of these energies amounted to MCZK 476.

Heat supplies

The České teplo s.r.o. company remained as the main and biggest heat supplier for DPP also in the year 2017. This company ensures heating and maintenance of heat supply lines within premises and water supply lines in the Hostivař and Kačerov premises and in the Pankrác carriage shed (1st stage), at the Zličín depot, at the Motol carriage shed, in Řepy garage, in Klíčov garage and in Vršovice garage (2nd stage). In 2017, we purchased from this supplier 212 thousands of GJ of heat, for which we paid MCZK 115. We were supplied with heat from other suppliers in the amount of 52 thousands of GJ, for which we paid MCZK 24.

Natural gas

We produced heat from our own sources (gas boiler rooms) to the Žižkov, Vokovice, Strašnice and Střešovice depots, to Florenc metro station and to the Radlice technical centre and to the Central Dispatching. Gas consumption for the year 2017 was 1 724 thousands m³ for the price of MCZK 12.

Water and sewage rates

Pražské vodovody a kanalizace, a.s. supplies water to DPP. In 2017, we were supplied with 561 thousands of m³ for the price of MCZK 22. Sewage rate includes not only water supplies, but also water leakages in metro and rainfall water. We paid sewage charge for 2 158 thousands of m³ in the amount of MCZK 74 in the year 2017.

Total costs of all types of energies (electric energy, heat, gas, water rate, sewage rate) amounted to MCZK 985 in the year 2017.





Economy

Introduction

The Prague Public Transit Co., Inc. ensures the transport service in the Capital City of Prague and suburban areas within the Prague Integrated Transport (PID) system.

A long-term Contract on public services was concluded with the Capital City of Prague, represented by the ROPID organization (hereinafter the "HMP Contract") for ensuring transport services in the territory of the Capital City of Prague.

Contracts on public services are concluded with more clients for operation of suburban lines within the PID system, be specific:

- basic transport services in the territory of the Capital City of Prague – contract with the Capital City of Prague, represented by the ROPID organization;
- basic transport services in the territory of the Central Bohemia region – contract with the Central Bohemia region;
- other transport services – contracts with individual municipalities in the Central Bohemia region.

DPP fully respects requirements imposed by the Act No. 319/2006 Coll. to conduct separate accountancy with respect to individual commitments to public services and other activities.

The Capital City of Prague

The Annex No. 25 to the contract with the Capital City of Prague, of which the subject-matter was determination of preliminary estimate of compensation for the calendar year of 2017, determined a preliminary estimate of operating part of compensation in the amount of TCZK 12,159,814 in case of ordering of transport performances of 176,393 thousands of km per vehicle. The amount of appropriate profit was fixed for the year 2017 in the amount of TCZK 1,551,010.

Annexes No. 26, 27 and 29 increased the operating part of compensation for the year 2017 with the amount of TCZK 74,779. The subject-matter of individual Annexes was increase the order of transport performances, in particular in connection with the approved traffic measures and additional funding of bus lines No. 128, 180 and 191.

With assessment of contractual risks a saving for lower transport performances in the amount of TCZK 11,717, savings in costs of fuel consumption, energies and depreciations of vehicles and transit routes in the amount of TCZK 132,792 and higher revenues from fare amounted to TCZK 105,950 were reported. On the basis of evaluation of contractual risks an amount to be returned (balance) amounting in total to TCZK 250,459 was reported.

Paid compensation, including the appropriate profit for the year 2017, was TCZK 13,535,144 with orders of transit performances of 177,904 thousand of kilometres per vehicle.

Suburban Transport

Further a grant in annual amount of TCZK 58,138 is provided for bus transport – suburban lines:

- for bus lines on the territory of the Capital City of Prague within 0 zone (TCZK 39,280);
- for bus lines within external zones 1, 2 (TCZK 11,401 from municipalities and TCZK 7,457 from the Regional Authority for the Central Bohemia region).

Other Activities and Accounting Items

As other activities not included into individual commitments of public services are concerned, DPP proceeds at planning of their amount in the manner to reach their profitability and effective realization with regard to utilization of capacities and productivity.

Accounting items, which DPP must record from the view of its establishment as a trading company, are allocated according to their purpose to individual activities. They are for example creation of reserves, contingencies or adjustments or deferred tax.

Economic Result

The balance of the public services commitment for the Capital City of Prague, that is main activities of DPP, amounts to TCZK -250,459 for the year 2017. DPP reached in the total economic result a profit amounting to TCZK 1,900,898 in particular due to accounting non-financial items.

This economic result consists in particular of reported and so planned appropriate profit amounting to TCZK 1,551,010 that was fully used for company’s investment expenses in form of renovation of transport means. Main differences compared to the plan were identified in the area of revenues in higher sales from fare with TCZK 226,675. The Prague Public Transit, Co., Inc. also continued in realization of savings in operating costs, which were reflected in particular into lower financial volume of purchased services with TCZK 157,593 and into the area of fuel consumption amounting to TCZK 98,760, mainly due to favourable price and also lower consumption in total litres.

Revenues from Fare

Revenues in framework of the entire PID system for the year 2017 (without surcharges to fare) recorded a growth with 2.53% compared to the year 2016 (+MCZK 107.54).

Revenues from sale of favoured time-limited transit tickets (without transferable and employee’s transit tickets) recorded a growth with 2.75% (MCZK +62.66) compared to the year 2016. Revenues from sale of the 365-day citizen transit coupons recorded a growth with 8.05% (+ MCZK 71.62). Also revenues from sale of 90-day coupons are higher compared to the monitored period of the year 2016, i.e. with 3.66% (+ MCZK 9.23). On the other side revenues from sale of citizen 30-day coupons are lower this year with 2.02% (- MCZK 13.72). Revenues from sale of 10-month coupons in the student category are higher with 17.35% (+ MCZK 6.04) and revenues from sale of 5-month coupons for students recorded also growth with 13.13%

(+ MCZK 7.62). In the “senior” category, revenues from sale of 5-month coupons grew with 6.50% (+ MCZK 3.37). On the contrary, revenues from sale of 90-day coupons in this category decreased with 15.92% (- MCZK 5.13).

Total revenues from sale of time-limited transit tickets (including employees’ tickets and transferable tickets) were higher with 3.38% (+ MCZK 82.48) compared to the year 2016.

For the year 2017, total revenues from sale of individual fare (without short-time time-limited transit tickets) are lower with 1.34% (- MCZK 19.25) compared to the year 2016. Revenues from sale of transfer tickets for 90 minutes recorded a drop with 0.66% (- MCZK 3.05), revenues from sale of transfer tickets for 30 minutes a drop with 1.71% (- MCZK 16.40) and revenues from sale of short-term time-limited tickets a growth with 11.28% (+ MCZK 42.73) compared to 2016.

Compared to the year 2016, total revenues from sale of individual tickets and short-term tickets recorded a growth with 1.30% (+MCZK 23.48).

DPP’s revenues in connection with the long-term contract concerning ZVS amount to **TCZK 3,685,976**, which represents a share of **84.44%** from the total revenues from fare within the entire PID system.

IT Division Continues in its Established Development Trend

At the course of the year 2017, the company’s management was submitted with a new strategic concept of IT development for the years 2017–2020 that with its mission follows the previous strategic concept of IT development that was approved by the Board of Directors. Proposal of future state of ICT and JIT is described in the vision’s structure, missions including individual activities designed to reach target states.

In the area of corporate applications, the Central Cash System [CPS] project was completed successfully. This system satisfies requirements imposed by the Act on Electronic Sales Recording

(EET). At the same time re-implementation of the system used for sale of transit documents [JD] into the SAP HANA environment took place. As SAP area is concerned, in compliance with the plan the Oracle database was migrated into SAP DB HANA to allow for the next stage of transition to S/4 HANA.

In 2017, workers in charge of operating apps implemented the project for supply and implementation of a new personnel-wage system. In the area of transport information system, activities according to time schedules for modernization of modules (for example the Magis system, daily operation overview, Losses and findings, operating mobile app) continued. Development of modules ended successfully, for example Stimuli from public, Manual workplace etc. Further analyses of applications and data transfer in the Consolidation of DMS systems project were started.

We manage to maintain the trend of higher share of utilization of virtualization to the detriment of physical serves in the area of server management, and thereby reduce costs of acquisition and operation of servers. At the same time we acquired the back-up VEEAM system for this environment. At the course of the year 2017, operation of the new anti-spam system Barracuda ESG 400 was started. The Servers Management dpt. has been trying to replace the Autocad software product with a similar and economically more favourable product for a long time.

In the area of data networks, active elements of which support was terminated by producers have to be replaced. Preparation for securing data centres with new firewalls was underway. We continue in installing of cabling for new ticket vending machines and moving of data switchboards from offices to reserved areas in order to improve physical security and allow for access to data network elements.

We have proceeded to wireless coverage of parking areas in the Motol and Žižkov carriage sheds, including modernization of the camera system. As new projects are concerned, a pilot project of security Wi-Fi with provision of transport information and free access to internet through Wi-Fi was completed at the six metro stations. The Infrastructure dpt. participated in many other projects that use

infrastructure, however JIT do not shelter them directly. For example interactive information boards, infrastructure for pilot counting of passengers in buses, extension of the number of sale points in other cities (Kladno, Kolín, Nymburk).

In 2017, the existing organizational structure was modified in the area of user support to maintain and control efficiently the IT services technical support at DPP with the option of future extension and development.

This department consisted of 27 technical workers and one manager in the past. They were providing complex service of user support from 4 main locations. These localities were Sokolovská, Central Dispatching, Kačerov and Hostivař. Each of these locations has its unique specifics of operation. This situation was unsatisfactory both from view of human resources management and also from view of future expected growth in requirements for new IT services. By this reason it was divided into 4 departments belonging under one division.

This newly formed organizational structure is full-fledged and prepared for transfer of the Administration of Technical Facilities dpt. DOS (400360), which with its tasks and competencies belongs under management of the newly established User Support department. This transfer helped to fulfil the IT strategic concept in the area of integration.

At the course of the year 2017, technical support was ensured for the Pražská strojírna a.s. company. Workers at DPP’s user support administer now in addition to others 110 new terminal equipment (PC + notebooks + printers). We prepared for the management of Pražská strojírna a strategy in the area of user and technical support. This document describes the actual structure of information environment in the Pražská strojírna company, the actual level of provision of support services with a proposal for improvement in provision of services in this area. This also includes a technical analysis and design of standardized configurations for purchasing of computing technology.

The HelpDesk app was replaced with a new ServiceDesk app in the year 2017. This new app brings new methods of management of requirements for services and resolving of accidents according to the standardized ITIL methodology into the environment of the Prague Public Transit Co., Inc.

As of the end of the year 2017, user support workers ensured implementation of the Virtualization of desktops pilot project. An objective of this project is to facilitate administration of terminal stations within unified environments. Predominant part out of 50 licences was deployed at centres of transport information, where emphasis is in particular put on appearance and ergonomics of working environment. From user's view a higher level and availability of provided service without the necessity of intervention of a technician in-situ will be ensured.

Archive

Pursuant to the Act on archiving and registry service the Archive department ensured professional administration of documents produced from activities of the Prague Public Transit Co. Inc. in 2017. In 2017, 280.35 running meters of documents were received at the DPP's registry. These documents are intended for temporary storing, as a rule for the period from 1 to 10 years. 241.9 running meters of documents were rejected and shredded within the shredding procedure. 34 running meters of documents, 402 pieces of personal cards, 37 pieces of earnings records, 549 tax statements and other documents were received at the depository of the DPP's Archive intended for permanent storing.

The year 2017 brought a larger reorganization and renovation of archive's depository and registries to improve internal arrangement, increase insufficient capacities and modernization of obsolete equipment. Establishment of an air-conditioned depository intended for large-format archives including acquisition of special casings for drawings belong among the most significant events in this area.

Selective digitalization of archives continued with success, in particular photos, articles and technical documentation for the purpose of protection of originals and less-demanding distribution.

Pilot operation and testing of the system of record-keeping, administration and arrangement of digitalized photo materials were under way. Outputs from this operation will be used for creation of methodologies for routine deployment and for further improvement of the application and associated processes. The area of electronic records that had been neglected during the past decades underwent a significant progress. In 2017, DPP's archive continued in acquisition of systematic continuous photo and video documentation for archive's needs, focused on significant events and activities of DPP.

The Archive engaged apart from internal DPP's divisions also researchers, i.e. professional historians, journalists, private interested persons and mainly students of secondary and high schools, who prepare their school examination works, bachelor's and diploma thesis on the topic associated with Prague public mass transport. In 2017, 15 external researchers were recorded for the study at the researchers' room. They realized in total 21 visits. Tens of inquiries concerning a historic topic were handled through correspondence or by phone.

DPP's archive prepared for various interested persons ranking from education institutions and civil associations lectures about history of the Prague public mass transport and three commented trips through Prague for students at the Faculty of Transport at the Jan Perner University in Pardubice. DPP's archive was also providing frequent information, consultancy to media, transport companies, museums and other professional institutions. It cooperated on professional level with the Museum of the Capital City of Prague on exhibitions on the topic of Royal preserve, Strašnice and Prague 1848–1918, and with the monument care dpt. at the Metropolitan Authority of the Capital City of Prague on the topic of Václavské square and non-realized Prague. We were in close cooperation with professional workplaces of the National Technical Museum and archive of the Research Institution of Rail Vehicles for the purpose to mutually complete funds and share information with them. Representatives of DPP's archive took part with their lecture and contribution into the professional collection in the international conference Ringhoffer 200, organized by the National Technical Museum.

On the occasion of important anniversaries the DPP's archive prepared as author printed material and exhibits for events held at the Motol and Pankrác carriage sheds and an exhibit concerning the past of Prague trolley-buses. In the area of publication activities, works on the Encyclopaedia of the Prague public mass transport continued, when a book devoted to passenger tramcars was published and works on next books were commenced. In cooperation with other divisions the DPP's archive participated in preparation for further use of the former Vinohrady carriage shed (the so-called Orionka premises) for educational and museum purposes. In spring 2017, a trio of short films devoted to TR trams was introduced (with the pivotal document "One day spent in T3 tram"). DPP's archive participated as an author on these films during the years 2016–2017.

Real Property Division

The principal scope of activities of the Real Estate department at DPP is ensuring records of both real estate of DPP recorded on the public list and real estate not liable to this recording and then its possible contractual protection.

The Real Estate department in cooperation with other departments, which deliver documentary supporting documents, puts records of real estate into compliance, when the factual state in-situ, state in the accountancy records and state on the public list are put into accord. These activities are performed in 112 cadastral territories on the entire Czech Republic.

It takes high share in the preparation of investment projects in form of comments at proposing project documentation and then at ensuring proprietary settlement. Support in investment projects is the base for follow-up recording on the public list and in compliance with the future factual state in-situ.

Other activities include ensuring of all contractual relations in terms of handling with real estate and at the same time contractual protection of DPP's interests in case when DPP's interests are affected with real estate of another entity. In 2017, the Real Estate department entered into 243 new contracts relating to real estate and 39 amendments to previously concluded contracts. DPP invoiced under the concluded lease contracts rental amount for the

year 2017 amounting to in total CZK 198,425,512 and the amount of CZK 6,180,588 for payments associated with establishment of servitude. Under purchase contracts DPP was paid with the total amount of CZK 10,746,773.

Agenda of the Real Estate department includes in addition to others resolving of judicial disputes relating to real estate.

Stock Economy Division

Activities of the Stock Economy department were extended to complete record-keeping of basic records on purchased products and suppliers and liquidation of supplier's invoiced for material entering DPP through stock economy in framework of organizational changes in 2017.

At the course of the year, reverse insourcing of activities of dressing-up of employees with a working uniform and re-opening of the central storage of dressing-up accessories in the DPP's environment in the DOZ Hostivař took place.

At the same time the biggest storage of spare parts intended for needs of SVT division went again under management of the Stock Economy department.

In 2017, it controlled methodically and coordinated complexly the quality management system, implemented at the Central Purchasing and Stock Economy divisions. It focused at the course of the year mainly on recertification of the quality management system, activities associated with transition to the new version of ISO 9001:2015 standard and achieving of determined objectives. Fundamental emphasis is laid at all logistic processes on needs, expectations and satisfaction of internal clients.

At the end of the year, auditors of a supranational certification organization performed recertification auditing that has reviewed and proved compliance with the certification requirements in full scope of certification and proved continuous improvement – in addition to others also thanks to introduction of the risk and opportunities management.



Human Resources

Personnel Strategy and Human Resources Management

DPP's macrostructure did not change in 2017. A system change occurred in the area of supplying, where the Supplying dpt. within the Economy division was cancelled and a new department 900400 – department of Central Purchasing was established under direct management by the managing director with the objective to simplify and make the existing processes more effective. Due to the need to ensure methodology for project management and coordination of implementation of selected research projects the department 900500 – Designing Office was newly established. Activities of the department 410400 – User support unit was organized according to user localities in the Economy division, namely 410000 department, the unit of information technology.

Human Resources Development

As of 31. 12. 2017, 10 994 employees were recorded, out of it 9 393 men and 1 601 women. The number and composition of employees come from needs and possibilities of employment in our company. The highest numbers are represented by public city transport drivers (38.7%), followed by workers (32.7%) and technical-economic workers (28.6%).

Composition by education and age did not change significantly for the year 2017. Employees of middle age with secondary education completed with school leaving examination and secondary education without school leaving examination are predominant.

The composition by education corresponds with the composition of professions in the transport-technical field.

Wage Policy

The corporate wage policy was realized in the sense of a uniform collective bargaining agreement including common rules for remuneration of all company's employees.

The average monthly wage for 2017 amounted to CZK 36,608, wage costs were expended in the total amount of TCZK 5,004,255. The amount of wage costs was affected by payment of severance pays by organizational and health reasons.

As concerns overtime work, a growth by 304 064 hours was recorded compared to 2016.

Share of overtime work in worked hours amounted to 6.87% in 2017.

Social Policy

Privileges and benefits for employees, through which the company endeavours to enhance their motivation, were set in accordance with the collective bargaining agreement for the period of years 2016–2017, including appendix No. 1 thereto.

DPP provided to its employees for example contributions for occupational pension scheme with state contribution, supplementary pension saving, life insurance, vouchers for leisure time activities, contributions for recreation of children, contributions for catering, contributions in case of work anniversaries and in case of first termination of employment in connection with old age retirement or disability retirement, help at social distress, favoured fare for employees, their family members and retired persons – former employees.

DPP pays to selected professions, set in the collective bargaining agreement, a part of employee's liability insurance for damage caused to the employer.

Furthermore DPP offered to its all employees to draw on their request one day of unpaid leave in a month and in case of sudden disease other three working days in a year with wage compensation. If an employee did not draw these days, DPP will pay him/her in form of contribution to complementary pension scheme, or possibly in form of vouchers for leisure time activities in the amount equal to wage compensation.

Education and Development

Education and development of DPP's employees are realized with the objective to develop their professional knowledge and skills and personal qualities of all professional groups of employees on the systematic level, and this way contribute to their motivation and stabilization and thereby fulfil the DPP's strategic objective.

In 2017, periodic training and examinations, professional training and workshops were also conducted by educational agencies. Courses from the IT area were not missing in their offer. 163 employees completed these courses. Professional workshops responding to changes in legislation and new technologies used at DPP were realized within the Programme of professional qualification development, which is highly demanded. 648 employees completed these workshops this year.

14th year of the Management course was organized in cooperation with the Secondary Industrial School of Transport (SPŠD), which was completed by 26 employees.

Training concerning managing of conflict situations with passengers and managing stress at solving emergencies reported by drivers was organized for 70 dispatchers. This educational program followed the knowledge and skills in the area of soft skills gained during the previous years.

The human resources division also ensures short-term professional training of students of secondary schools and secondary technical schools and universities on DPP's workplaces. These trainings encounter increasing interest from students. In 2017, 75 pupils and students completed the professional training.

In order to facilitate inclusion and initial training of new employees we proceeded in compliance with the established standardized adaptation process. Initial training of personnel forms its integral part. It also includes training of employees in the Programme of prevention to criminal activities and associated risks. In 2017, 879 new employees completed the initial training organized by the Human Resources division.

The Graduate's and motivation programme for students of the Secondary Industrial School of Transport (SPSD), secondary schools and universities has been used and developed. In total figures, 15 pupils of the Secondary Industrial School of Transport (SPSD), who intend to work at DPP in the future, underwent the motivation programme. In 2017, in total 16 graduates enrolled for the Graduate's programme, out of it 11 graduates were classified for manual professions and 5 graduates from universities for technical-economic functions.

1st year of the language education was performed with success for employees, who provably use a foreign language at performing their occupation. In total 70 employees showed off knowledge of English or German language. 100 employees were included into the 2nd year of language education.

The system of regular rating of competences of employees, which was set in 2016, continued. Significance of this process is confirmed by its extension to another group of employees, namely supervisors. In 2017, more than 2,800 technical-economic employees were evaluated within the standardized system. In connection with identification of educational needs during regular annual evaluation of competences 21 topics of educational events were realized in the area of managerial and soft skills at the course of the year 2017. In total 463 employees participated.

In connection with management of professional carrier of employees we continued in activities related to the established programme. The human resources reserves system focused on succession planning associated with employees generation change, identification, development, motivation and stabilization of employees with a potential to hold managerial and other professional jobs. In 2017, a vertical carrier growth with respect to managerial position occurred for 8 human resources reserves as well as a horizontal carrier growth in terms of professionalism for 19 human resources reserves. As of 31st December 2017, this system included 204 employees, for whom development activities following the pre-set Personal Development Plans were ensured.

Employees also made the use of the option to improve their qualification through studies at secondary schools or universities in compliance with needs of the company. In 2017, in total 22 employees were studying on the basis of concluded qualification agreement, out of it 7 employees at secondary schools and 15 employees at universities.

The Carrier Consultancy for Universities and Carrier Consultancy for Secondary Schools development programmes were focused on improvement of occupational satisfaction of employees. The objective of these programmes is to use gained qualification, capacities and knowledge of employees and support to allocation to jobs corresponding with their ideas and DPP's needs.





Safety

Crisis Planning

600 110 Division - Crisis Planning, of which competences include in particular processing of documentation for crisis planning, realization of preventive measures and effective and adequate responses to crisis situations, participated in regular thematic training of dispatchers' units with the option of announcement of "Chemical emergency" in 2017. These trainings were focused on review of ability of proper assessment of situation with the follow-up distribution of information. Correctness of distribution of information including procedure of employees in case of announcement of "Chemical emergency" is monitored not only inside TPP, but also towards IZS components. The Crisis Planning division realized compliance of DPP's crisis standards with standards of the Municipal Authority of the Capital City of Prague in relation to organizational and technological changes at DPP this year. The command "Bodies of crisis planning" has been updated several times, when changes in composition of individual commissions in connection with organizational measures and changes in PM systemization occurred.

Like every year before spring melting, the "Flood plan" and associated standards were updated. In association with the Metropolitan Authority of the Capital City of Prague and individual metropolitan districts flood commissions of individual metropolitan districts of Prague were updated for needs of DPP's dispatcher's management.

An inspection survey was performed in cooperation with individual workrooms and garages in order to discover the actual state of readiness of individual workrooms to perform tasks during evacuation. Knowledge and comments discovered at individual workrooms were included into the guideline concerning evacuation plans for land transport.

A guideline concerning anti-chemical warning system, the "Plan of response of DPP's employees to chemical attack in metro", was newly prepared and issued. This guideline is completed with chapters dealing with decontamination and recovery of metro operation. The guideline "Procedure of employees of JPM, JDCM and HZS in case of suspicion of presence of dangerous chemical substances in metro station air environment" was updated.

In 2017, employees in the division 600110 took active part at meetings of the "METRO" working group, which was established and managed by the Ministry of the Interior of the Czech Republic and was occupied with protection of the so-called "soft targets".

The Fire Brigade of the Capital City of Prague performed inspection of observance with the Act No. 240/2000 Coll., on DPP's crisis management, at the end of the year. Preparation of the "Plan of crisis readiness" and its content-bearing requisites being processed by the Crisis Planning division were reviewed. It resulted from this inspection that the plan is prepared on high quality level and DPP fulfils tasks stipulated in the Act on crisis management.

Security, Safety and Protection of Property

These activities are currently divided into three areas, which are managed by the 600 120 – Safety and Property Protection department, 600 140 – Security of Buildings department and department 600 150 – Supervisory Centrum – DPPC.

Principal activities of the 600 120 department are the methodology in the area of personal data protection and protection of secret information, security of buildings in cooperation with the security

agencies, production and the system of delivery of entrance magnetic cards and entrance cards to external entities and management of camera systems in land buildings. This department is in close cooperation with the Metropolitan Police, mainly with the Guard unit, and with the State Police – the Metro division as a priority.

In compliance with wording of the Act No. 412/2005 Coll. access to classified information is enabled to 108 employees on the basis of regular training. 4 documents were created in the secret mode in the certified information system and 5 documents were received from external entities.

The Steering Committee for the General Data Protection Regulation (GDPR) was established in the area of personal data protection owing to obligations resulting since the year 2018. Further we commenced on the basis of contract on provision of services in the area of personal data protection cooperation with the ČD – Telematika, a.s. company.

We assisted at ensuring trainings of the Police of the Czech Republic at smaller extent, but also at the training within the DPP’s building “Prague’s 155”, which was organized at the Kačerov metro station in June and for now it was the biggest event of this type. Further we can mention the international training of police assault teams Atlas 2017 at the same station in September.

In total 28 anti-terrorist baskets were installed in cooperation with the JIVA-Jirák spol. s r.o. company at metro stations.

In the area of security of buildings, a contract was signed with the Centr Group, a.s. as a winner of the tender procedure. This company has taken over tasks of the Securitas ČR, s.r.o. company since 29th December 2017.

Digitalization of camera systems continued in 2017. Its installation commenced at the Žižkov carriage shed in November. Further we opened negotiations concerning project documentation for the Řepy garage and Vokovice carriage shed. This department handles in

total 264 cameras located on land buildings and outputs from these cameras are further used in particular by the Police of the Czech Republic. A new guideline was released concerning camera systems at DPP.

External entities were provided in total with 1374 entrance cards, 659 new magnetic cards and in total 3855 are used.

Scope of works of the 600140 – Security of Buildings department is to guard DPP’s buildings by stem employees, in particular carriage sheds at Hloubětín, Kobylisy, Žižkov, Pankrác, Strašnice, Střešovice and Vokovice. Mission of this division is also to help employees in case of loss of health ability, both for temporarily or permanently, to find them another work assignment within our company. Our employees base includes almost 34% of such people within DPP these days. We have managed to increase this number with 10% from the total number of people in our division.

We have introduced a new run for the so-called alternating people that balanced unfavourable position of these employees and made planning of gatehouses occupancy more efficient. Further gatehouses at the Kobylisy carriage shed and upper Hloubětín underwent revitalization. We completed standardization and harmonization of guarding and operating procedures across all carriage sheds and set rules for movement of pupils and students at premises of DPP for the purpose of professional training and practice. The 600140 division cooperates on regular basis with a security agency to fill gaps during turn operation and occasionally with the police in case of unauthorized access to the building.

We managed to install and put automatic opening of gate into operation in cooperation with DPP’s divisions and external suppliers at the Kobylisy carriage shed. This way we facilitated the traffic situation to tram sets that are crossing the frequented four-lane road in the Horňátecká street at entrance to the building. Further we tested and renovated old and non-functional emergency buttons at individual gatehouses.

Our attempt for the coming period is apart from routine tasks resulting from substance of our division to enhance standards in the guarding service and deepen cooperation with divisions across the entire company. This could allow for inclusion of employees from the social programme into jobs to better suit their abilities and skills.

The youngest department in the 600100 Security and Crisis Planning Division is the 600150 Supervisory centre dpt. – DPPC. Since its establishment in May 2016 the main task of this department has been collection and evaluation of information from the technical protection systems. In practice, this means works in the continuous working mode with security technical means, as they are camera systems, alarm and emergency security systems, detection video, analytical tools etc. At responses to individual outputs from these systems we cooperate with components of the dispatcher’s management, for example the Train dispatching of Metro or Technological dispatching. Workers in this division had to solve more than 1100 alarm situations each month.

In 2017, a number of localities that are under management of this division extended significantly. The most significant ones include integration of all Presale points and Centres of transport information. More than 35 locations are concerned, for which in case of any danger we ensure coordination of measures for immediate elimination of danger. Communication with endangered persons, repressive components as they are Police of the Czech Republic, Metropolitan Police of the Capital City of Prague and intervening group of a contractual partner of security services belong among everyday activities of operators in this division. Quality and rapidity of intervention not only in these localities have fundamental effect on endangered persons, but also on compensation for damages by an insurance company.

Operators in this division who work in permanent working mode form important part of DPP’s physical protection of buildings. They are ready to provide information and in many cases also advices to workers of security of individual buildings and a matter of course is close cooperation between these components when resolving alarm

or failure accidents caused by technical systems or human factor (trespasser).

Operators are direct superiors to Intervening groups of a contractual supplier and they control activities when employees, DPP’s property or passengers are put at risk. They simultaneously organize their activities during usual inspection of public and non-public DPP’s premises – the so-called “Patrol”.

With release of the new guideline on camera systems this division became one of four locations at DPP with the right to distribute camera records to other DPP’s departments and the only one location with the right to distribute camera records to institutions outside DPP. Legitimacy of such request must be thoroughly evaluated, i.e. grounds for such request in terms of personal data protection, before each delivery of a record. Preparation for work according to the new rules – GDPR is under way.

Last but not least this division works on proposals of investments to new security technologies or possibly to reconstructions of existing technologies. These employees will become the main administrators of the security extension in the future – the so-called JIP (Uniform Integration Platform) established within the KBS Metro project.

Occupational Health and Safety

Since the area of labour is constantly changing, it is more and more important to anticipate these changes at the occupational health and safety division and identify new emerging risks in order to ensure better safety and health protection of workers.

The objective of the 600130 – Occupational Health and Safety (BOZP) division always was and is setting, more precisely tuning of set measures required to ensure occupational health and safety and observe with the established system and fulfil it in practice. In the environment of large enterprises, like DPP is, with a complex structure of various managing functions, ensuring of working conditions for employees resulting from valid legal standards is always demanding.



The system of periodical and exceptional trainings for employees and members of trade unions proved itself as efficient to fulfil these objectives. In form of distribution of information about legislative regulations, law and directives concerning occupational health and safety a more comprehensible content of these sources is submitted. Based on discussions and presentations of particular cases with taking various standpoints into account participants in these trainings became active participants at controlling Occupational Health and Safety issues on their workplaces.

One of steps was performing physical inspection of all workplaces in framework of inspections in the area of Occupational Health and Safety under participation of OO representatives of DPP. Further updating of labour classification into categories according to the level of work load factors was performed. These work load factors have effect on health of employees. Repeated tasks of 600130 division also include dealing with standpoints from trade unions and expert´s opinions on prepared internal regulations of the company and discussed documentations. Last but not least 320 work injuries resulting in incapacity for work were investigated and discussed in 2017.

On the basis of knowledge of real working environment and workplaces we approach to identification of risks in a long-term horizon. Our objective remains the same, i.e. that occupational health and safety helps the Prague Public Transit Co., Inc. to become a safer, healthier and more productive place for all our employees.

Fire Protection

The target of activities in the area of fire protection is prevention to fires, create conditions for their successful elimination and minimize impacts on lives, health and property.

The DPP´s Fire Rescue Brigade (hereinafter as the "HZS") is a guarantor for ensuring fire protection within DPP and a partner to the state administration bodies. HZS´s competencies include fire

prevention, care for material aids for elimination of fires and fire-security equipment and securing permanent action readiness of the HZS´s units to eliminate fires and solution of other extraordinary events in buildings and at DPP´s operations.

In 2017, we recorded in total numbers 513 interventions by the HZS´s units for extraordinary events. Out of these figures, 43 fires, 95 interventions in case of accidents of road and rail vehicles, 215 technical assistances, 41 liquidations of escape of dangerous substances, 14 examining exercises and 105 interventions based on alarms from the Electric Fire Signalling (EPS) system.

Units of all three fire brigades were equipped with tool sets, so that they can get into locked premises more gentle. At the same time professional training of selected employees was ensured with respect to these specialized activities. A multi-purpose passenger vehicle Volkswagen Caddy was acquired within renovation of mobile fire protection technique.

In framework of the Integrated Rescue System (IZS) we cooperated closely with the Health Rescue Service of the Capital City of Prague at exercises of its crews for resolving exceptional events in metro. We continued in acquainting of members of the Fire Rescue Brigade of the Capital City of Prague with specifics of rescue activities at DPP and with use of oxygen breathing apparatuses for long-term interventions at irrespirable air environment. We ensured professional occupations for special divisions of the Police of the Czech Republic on the basis of their requests. The main cooperating events of IZS, in which the DPP´s Fire Rescue Brigade was engaged, included the training Train 2017 held at the parking terminal Prague – south in April, training Prague´s 155 at the intra-station section of the Kačerov – Budějovická metro line in June and international training of police units ATLAS 2017 on the same place in September. We conducted inspections of all ground, underground and wall-type hydrants and dry-ducts in DPP (in total 2 260 units of equipment) and coordinated inspections and revisions of portable and mobile fire extinguishers in DPP (in total 14 158 pieces). We have been

continuously updating documentation for fire elimination, in particular in connection with construction of accesses for persons with disability of movement at metro stations, general reconstruction of metro stations and reconstruction of the Electric Fire Signalling (EPS).

Fire prevention activities consist mainly in prevention to fire and emergency situations. Performance of the fire prevention tasks results from the valid legal regulations, in particular the Act No. 133/1985 Coll., on fire protection, as amended by later regulations and guidelines of DPP, which are aimed at fire security of employees and public transport passengers. The Fire prevention department determines in framework of inspections and processing of fire protection documentation measures to secure minimum risk of fire occurrence. In connection with this assignment cooperation with all DPP´s bodies and to a considerable extent with organizations of others has a priority. In framework of fire protection design of constructions 179 negotiations with designers were conducted.

Statements to contracts sent from the Contractual Relations division concerning the existing and new commercial units in the number of 38.

We conducted inspections for observance with the obligations imposed by the fire protection regulations in all premises and facilities of DPP, i.e. in the number of 950 preventive fire inspections. Follow-up 143 checks of removal of defects were recorded.

In 2017, 2 092 employees, including professional training of preventive fire patrols, managerial employees and fire supervisors, and then 100 managerial workers of supplier's companies underwent training at DPP.

In the area of fire protection of constructions, we participated in approving and assessment of building projects for new constructions and constructions under reconstruction and attended to 505 technical inspections, acceptances and final approval of constructions.

In 2017, our department issued 2 new versions of regulations:

- SM 12-2011-03 Activities of employees and other persons in case of signalling of fire or failures of the Electric Fire Signalling (EPS) system
- SM 77-2011-02 Performance of welder's works and similar works within DPP's buildings and premises

Furthermore marking of DPP's buildings and facilities with safety marks was performed at the course of the year. In compliance with the plan of alarm exercises 5 training fire alarms were realized at DPP.

Another agenda consists of approving works at metro stations. Employees of the Fire prevention department participated in such 204 negotiations.

Inspection

The objective of the Inspection division are mainly systematic inspection activities and analyses across the entire Prague Public Transit Co., Inc. The scope of these inspection activities includes in particular checking-out of effectiveness and functionality of internal standards, operating regulations, guidelines and instructions, their observance by DPP's employees, including observance with the generally valid standards.

In 2017, the Inspection division devoted to internal check activities, which were focused as standard on compliance with legal standards, internal legislation and on the level of quality of provided services. Inspections were performed in compliance with the plan compiled on the basis of requirements from managers at DPP and on the basis of knowledge from results of inspections for the previous periods. At the same time operative checks were performed, of which topic resulted from the actual needs and requirements of individual departments or employees at DPP. Results of investigations were provided to managers in order to improve performed activities of departments concerned and to remove deficiencies discovered. In compliance with the Act on health insurance inspections of the determined mode of workers with temporary incapacity for work were performed on the basis of needs of managers of individual DPP's departments.



The department's activities also included continuous provision of assistance at preparation of supporting documents on the basis of investigating, prosecuting and adjudicating bodies.

All DPP's employees including employees of other companies providing security services of DPP's buildings were continuously subjected to breath tests to detect alcohol and other additive drugs. On the grounds of ensuring information assets security within DPP and on the basis of obligations resulting from the act on cybernetic security it was necessary to establish and develop the information and cybernetic security system. These activities fall under competence of the 600330 division – Centre of information security, in particular with focus on security aspects of information systems and on implementation of security elements policy at DPP. In particular investment projects Monitoring of network operation "NETFLOW", "SIEM", Security monitoring of operating and technological networks "ICT DPP", Protection against strange attacks (SandBlast), cooperation on the "GDPR" project and preparation of supporting documents for session of the Board of Directors concerning the matter of signing of the Uniform security policy are concerned.

The 600340 division – Technical Inspection Station was subjected to recertification auditing of the quality management system (QMS) according to EN ISO 9001:2008; based on auditing performed by the LRQA (Lloyds Register Quality Insurance) it was stated that the quality management system was properly established at the DPP's Technical Inspection Station. Internal auditing and review of the management system at STK by the management proved its functionality and effectiveness.

In framework of the Integrated Rescue System (IZS) we cooperated closely with the Health Rescue Service of the Capital City of Prague at exercises of its crews for resolving exceptional events in metro. We continued in acquainting of members of the Fire Rescue Brigade of the Capital City of Prague with specifics of rescue activities at DPP and with use of oxygen breathing apparatuses for long-term interventions at irrespirable air environment. We ensured professional occupations for special divisions of the Police of the Czech Republic on the basis of their requests.



Investments

We expended for acquisition of investments these funds at the course of the year 2017:

Own resources of DPP	MCZK 3,230.839
Compensation 2017 (appropriate profit)	MCZK 1,551.010
Retained compensation from the year 2012	MCZK 55.386
Common grant from the budget of the Capital City of Prague	MCZK 65.741 /*

In total MCZK 4,902.976

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Common grant from the budget of the Capital City of Prague in total MCZK 65.741

Out of it:	
I.operating section of D metro line (preparation)	MCZK 51.801
Barrier-free access	MCZK 5.979
Barrier-free access to the Karlovo square metro station	MCZK 0.807
TT Sídliště Barrandov – Holyně – Slivenec	MCZK 7.026
TT Divoká Šárka – Dědinská	MCZK 0.128

Great part of funds was used for renovation and modernization of the fleet:

- 25 pieces of 15T trams were supplied for the amount of MCZK 1,287.520 (out of it 13 pieces with deferred payment to the year 2021). We paid MCZK 572.402 for deferred payments from the year 2016 (16 vehicles).
- 2 vehicles were worked up for reconstruction of KT8N2 vehicle type (record No. 9101 and 9102) in the amount of MCZK 33.960
- 2 partly low-floor vehicles T3R.PLF were supplied for the amount

of MCZK 17.050 and a special vehicle T3 Coupé was worked up for the amount of MCZK 0.753

- we purchased buses (articulated low-floor buses, standard low-floor buses and standard partly low-floor buses) for the amount of MCZK 478.552

We also paid up the partial payment within the bill programme drawn for payment for 15T trams amounting to MCZK 800.00.

In 2017, works on preparation of construction of the D metro track were underway.

We expended a significant part of funds for reconstruction of tram tracks with expending the amount of MCZK 375.179 for this purpose.

Barrier-free access at the Palmovka metro station was put into operation.

Tram tracks Klapkova, Albertov-Otakarova and Sokolovská (U Balabenky – Balabenska) underwent reconstruction.

Priorities for the Coming Period

The Prague Public Transit Co., Inc. is a key subject within the continuously developing Prague Integrated Transit system. With full awareness of our position, objectives of the management of the Capital City of Prague and demanding requirements of our passengers we direct our activities at further improving of the scope and quality of services provided. This way we contribute significantly to maintaining high share of the public mass transport in total transport works, which is precondition for acceptable traffic situation on the territory of the Capital City of Prague. Satisfaction of

this objective is associated with the need of adequate renovation and development of all parts of technical background that together with optimization measures in operating activities belong to key tasks for the coming period. Actual economic situation requires consistent consideration of implementation urgency of individual projects with determination and follow-up maximum support to clear investment priorities. Quite exceptional attention has to be paid to projects, where there is a real option of their co-funding from European funds, since satisfaction of this precondition is associated with the need to achieve corresponding stage of their preparation allowing for application for relevant grants.

Accented priorities coming from the fundamental development documents of the Capital City of Prague include definitely further extension of the city rail transport network that would ensure corresponding growth in share of segregated public mass transport routes. This approach is the precondition for improving regularity, speed and security of public mass transport. Associated reduction in ecological load on the city territory initiated by growth in use of electric traction cannot be neglected. Initial precondition for implementation of new routes within the city rail transport is their inclusion into the territorial planning documentation. The Prague Public Transit Co., Inc. must make maximum effort within its possibilities given by the valid legislation to have its accented projects confirmed within the scope and on routes in compliance with its interests. Acquisition of a Metropolitan plan, a new territorial plan of the city, of which proposal will be jointly discussed in the year 2018, is fundamental at this point. The Building Act allows newly to enforce comments already at this stage, which is worthy to use fully. In order to accelerate inclusion of highly preferred projects into the territorial planning documentation the management of the Capital City of Prague proceeded to acquisition of several stages of changes in the existing Master plan at the building department of the Capital City of Prague. Content of some changes is focused on consideration of new tram tracks and they require exceptional attention at all stages of their acquisition. The most important traffic constructions include for example tram tracks directed to the area of Jižní Město, Suchbát, connection of Na Veselí – Pankrác – Budějovická – Dvorce

and completion of the tram track network in the central part of the city. However, it is necessary in the area of acquisition of the territorial planning documentation to monitor all included projects to protect various interests of the Prague Public Transit Co., Inc., primarily proprietary and operating interests.

The year of 2018 will be associated with advanced preparation stages of a number of fundamental constructions within the city rail transport. However at this point we can claim definitely that implementation prerequisites of most projects are affected negatively with issues concerning proprietary relations. This situation required a new approach to these issues including preparation for transfer of lands.

Our key development project – initial section of the fourth D metro line will experience a significant move. After decades of designing and follow-up preparation of this project the 0th stage will be commenced – geological survey and this stage will commence realization of the introductory operating section I.D.V in compliance with the implementation phasing approved by the city management. In 2018, realization preconditions for the introductory part of the construction within the scope Pankrác – Olbrachtova will be primarily created. In addition to the geological survey this will include renewal of the building permit procedure, completion of the realization documentation, conclusion of contractual documentation with decisive owners of lands concerned and a lot of other activities. Attention will be of course paid to preparation of other section of the I.D. metro line operating section – primarily purchase of lands, announcement and evaluation of the competition of artists with respect to decorations at new metro stations. We will ensure activities necessary to establish a joint venture, in framework of which the Prague Public Transit Co., Inc. and a selected strategic partner will ensure maximum utilization of the territory development capacity near the D metro line stations.

With awareness of relatively real preconditions of possible co-funding from the European funds exceptional attention will be paid to the area of new constructions of tram tracks to reach the stage of

their preparation and apply for grants in 2018. As the projects of TT Sídliště Barrandov – Holyně – Slivenec that are prepared on high level are concerned, the main objectives will be to acquire lands with the partial utilization of the process of expropriation. Situation concerning this matter requires in general intensive and complex negotiations with investors of new residential complexes, built within the territory near the future tram track. Significant dynamics of preparation of TT Sídliště Modřany – Libuš, where we managed to quite quickly obtain a valid territorial planning decision, will allow for application for a building permit and concerning this matter it is also necessary to resolve issues concerning acquisition of lands. This construction will be implemented at stages. At the introductory stage the tram track will be ended with dead centre in the Novodvorská street, the second prospective stage will consist of final construction of loop connected to construction of the Libuš station within the operating section of I.D. metro line. After issuance of a territorial planning decision for the tram loop Zahradní Město we will apply for a building permit. As preparation stage of the tram loop Hostivař depot is concerned, we can apply for issuance of a territorial planning decision.

Construction of a new tram carriage shed in Hloubětín is a fundamental investment, of which urgent need resulted from a critical technical condition of the existing building (collapse of a roof). In 2018, we expect obtaining of a territorial planning decision and application for issuance of a building permit. We proceed to demolition works.

Condition of preparation of any new tram tracks does not allow now for commencement of implementation. So, improvement of the technical level of tram networks will consist in their reconstruction in the year 2018. They will include in particular RTT Zenklova (Elsnicovo square – U Kříže), RTT Vinohradská (Muzeum – Želivského) and RTT Sokolovská – Kolbenova (Poliklinika Vysočany – Nový Hloubětín).

Other fundamental events are intended to fulfil the long-term process of additional barrier-free accesses to metro stations, i.e. area that is in the centre of concern among the city management and passengers. As the projects of barrier-free access to the Opatov metro station

(in this case in framework of reconstruction of the station) and Karlovo náměstí station under preparation are concerned, tender for a contractor will run – possible commencement of implementation in the year 2018. Project preparation for reconstruction of Náměstí Jiřího z Poděbrad and Českomoravská metro stations will continue and it will include also barrier-free accesses. We must announce a tender for designer of barrier-free access to Radlická, Křižíkova, Jinonice, Pražského povstání and Želivského metro stations.

We are going to further improve the quality of our fleet, primarily from view of share of low-floor vehicles. A long-term contract for supplies of 15T trams will be topped off with supplies of the last 29 vehicles of this type in the year 2018. 2 tramcars KT8D5.RN2P with low-floor central segment and special tramcar T3 Coupé will be completed at the tram repairshop. In the given year, 50 standard partly low-floor buses SOR BN 12 and 60 articulated low-floor buses SOR NB 18 will be delivered.

In compliance with the actual tendencies in the area of non-rail public mass transport we will continue in creating conditions for gradual electric mobility development in bus operation. Preparation for full electrification of the bus line No. 207 (Staroměstská – Ohrada) with the use of double-pole recharging technique will be of key importance. This project includes construction of a recharging infrastructure at the Ohrada swinging area and at Vršovice garage as well as supply of 14 fully low-floor electric buses with standard length of 12 m. Announcement of a public tender for these vehicles is expected in April 2018. Trial operation of full-fledged low-floor electric bus SOR NS 12 will be renewed. Its construction will reflect a number of comments from the previous testing (cooling of accumulators, heating during night recharging etc.). Pilot project of checking of the dynamic recharging will continue on the Palmovka – Letňany track, with trolley track in the Prosecká street. The SOR TNB 12 vehicle, which was used until now, will be replaced by the Škoda 30Tr vehicle in framework of the 2nd stage of the project. If the pilot project encounters positive feedback, a follow-up stage will continue – representing a full electrification of the line No. 140 Palmovka – Letňany – Čakovice – Miškovice.

Marketing and Trade

One of the key objectives for the year 2017 was recruitment of new employees. Carriers in the entire Czech Republic have to actually face to big lack of mainly bus drivers. The Prague Public Transit Co., Inc. is not an exception. Thanks to an extensive year-long campaign we managed to stabilize the number of tram drivers, however recruitment of bus drivers will continue also in the year 2018. Our main attempt is to prevent, so that the negative situation on the labour market does not reflect into the quality of provided services of DPP. In 2017, a number of tens of new drivers of trams and buses entered into employment with the Prague Public Transit Co., Inc.

The Prague Public Transit Co., Inc. in cooperation with its owner – the Capital City of Prague implemented the “Are you riding without a valid ticket? Normal people pay for a ticket!”. The number of passengers without a valid ticket in the public mass transport remains on the same level for the last years. That is why our campaign is directed at passengers – i.e. that you have to pay for every service provided and transport is not an exception. Passengers without a valid ticket are also motivated. If they purchase a one-year ticket, their penalty will be decreased to half.

The Prague Public Transit., Inc. supports on regular basis significant municipal events. It is an official transporter of the “Muzeum nights” cultural event. Ten exceptional bus lines mainly to the Staroměstská metro station were dispatched for this event, of which visitor rate exceeds one hundred thousand of passengers. DPP is also an official transporter of the popular “Nights of Churches” event. At the course of the year, the Prague Public Transit Co., Inc. supported rent of advertising areas on tramcars and buses, or areas by entrance to

metro, in total 126 theatres, festivals, concerts, exhibitions, sport events, trade fairs or non-profit-making organizations. On the other side organizers advise the best route to the event through the public mass transport, and they thereby motivate visitors for modern and environmentally-friendly travelling.

Transport like a whole is not in general personified in large extent. People associate it with various types of vehicles, which they go by each year. However, transport does not function without thousands of nameless workers, mainly drivers, but also without dispatchers, operating personnel and non-operating personnel. That is why the Prague Public Transit Co., Inc. came up with the idea to name trams after Václav Pšenička, František Křížík, Matěj Hlaváček, František Kardaš and František Pelikán. This project is going to continue also in the coming years. Our attempt is to make awareness of these famous people among wide public – personalities that we can hardly recall, however without them our transport would not be on our actual level.

Promotion of high quality services is done on the background of important historic milestones that we commemorate together with wide public. In 2017, the Prague Public Transit Co., Inc. commemorated that it was 25 years since the Prague integrated traffic had been established – DPP at that time had operated the first two bus lines riding behind borders of the Capital City of Prague. Pankrác and Motol carriage sheds celebrated important anniversaries. It was 120 years, when trams had been dispatched from Smíchov to Košíře. Within these anniversaries, many events were organized for visitors – the Nostalgia project.

Within significant anniversaries, events are organized not only for public, but also for employees. We could not commemorate these anniversaries without our employees. For several years, we have been appreciating employees who stayed 35 years at DPP. The year 2017 also brought four events for 75 employees – at the public mass transport in Střešovice or at Kačarov depot. We organized the traditional employees’ day at the Holešovice exhibition ground, where a number of hundreds of employees accompanied with their family members came by.

Possibility to examine back offices of the Prague Public Transit, Co., Inc. during the Open Day, Nicholas’s Day, Experience tourism project or the Nostalgia project still entices. Many chargeable events are sold out immediately. In particular the Experience Tourism in Metro project held every third Saturday in a month is very popular and this event has been held already for seven years. Apart from that the public mass transport has a lot of fans who like reading news about our company and also fans of Prague’s history who purchase various historic publications and brochures at DPP’s Information Centres and at Public Mass Transport Museum in Střešovice. The unique project - the Public Mass Transport Encyclopaedia has been published already for four years. In 2017, we sold more than 450 books and files. Some of them are waiting for next printing.

Events making travel in the public mass transport more comfortable have a lot of fans. We organize in cooperation with the Jaroslav Ježek Conservatory “Be in good mood in metro” in spring and during Christmas time, when various music genres sound at metro stations, from classic music up to modern music. In May, premises of some metro stations change to a dancing floor and people can watch professional and amateur dancers. A mobile summer cinema “Kinobus” is also very popular. In 2017, it was dispatched for its tenth summer round. From 19th June to 14th September, this bus was riding through the city and offered in total 57 projection events with 14,400 visitors – 250 visitors per one performance. “Kinobus” is also devoted to charity. We collected 32,318 CZK for Nikolas.

Together with requirements to maximize revenues from activities not directly connected with the main scope of works of DPP there was a need to properly record and manage centrally these events. The 900750 Trade department was established for this purpose in 2017.

Department 900750 Trade in association with other DPP’s departments utilizes the business potential of unused capacities of movable and immovable assets of DPP, records individual business cases and transforms them into orders.

On the basis of supporting documents delivered from our economic departments it subjected costs of individual business cases to analysis and after their assessment and after market comparison it determined new prices for business-marketing projects.

Unification of commercial projects through the newly established department helped to improve their organizing. New rules and terms were set for entities inquiring commercial events, which had been organized de-centrally earlier.

At the end of the year 2017, the 900750 Trade division took over completely all commercial activities that had been performed by the 900730 Marketing department till now. It concerns in particular organization and permitting of filming at metro and at DPP’s means of transport and short-term lease of DPP’s property for commercial purposes. As movable assets are concerned, these are in particular possibilities of rent of commercial rides on metro set and/or commercial rides on common and historic trams located at the Střešovice depot.

Communication and External Relations

In 2017, our employees handled in total 21,181 **stimuli from the travelling public**, which represents a year-on-year growth by 18%. This figure can be attributed mainly to the "Change it" project, which offers to Prague's citizens the option to send their proposals and stimuli concerning the area of transport to workers at the Municipal Authority of the capital City of Prague and its subordinate organizations. Since June, stimuli from the public are handled through the "Stimuli from the public" software app. This application allowed for rationalization of performed activities and contributed to labour productivity increase. The same number of employees handled stimuli from the public – increased with almost one fifth on year-on-year basis.

The year 2017 brought in total 6,602 **media outputs** concerning the Prague Public Transit Co., Inc. or city transport, specifically in all media-types – i.e. at print, on internet servers, at TV or radio. The highest number of articles was recorded in December (821). Compared to this figure the month of July brought the lowest number of articles and news reports (332). PR activities that brought in total 642 reports were at top of positively-tuned publicizing. They dealt with for example historic anniversaries associated with DPP (120 years of DPP, anniversary of the A metro line and others), launching ceremonies of trams named after important personalities, dance or music at metro, Kinobus and T3 Coupé project. Media were busy with also Wi-Fi signal at selected metro stations, electric buses or campaign directed at passengers without a valid ticket. In particular law suits of previous management or signal at metro gave rise to ambivalent or negative publicity. Our corporate topics published in connection with DPP include economy, tenders, vehicle fleet and D metro.

Communication on social networks recorded a growing tendency in the year 2017. The official web page of the Prague Public Transit Co., Inc. increased again its number of fans, i.e. mainly with 4 thousand to the total 15,100 fans. Increased number of published vehicles had a positive impact in form of the most popular published articles. The first three positions were occupied with videos presenting ride of the historic metro set Ečs at the occasion of 39 years from start of metro operation, further transport of the historic trolley-bus Tatra T400 during testing operation of electric buses in the Prosecká street. Presentation of the new towing vehicle Tatra Phoenix became an imaginary winner. An article about recruitment of ticket inspectors was the most popular with more than 100 000 readers. DPP's account on Twitter also confirmed increasing tendency in visitors, specifically almost 1,000 followers. Social networks are being more and more used for recruitment of new employees.

Official **web pages dpp.cz** still maintain their high daily visitor rate, which reaches 60 thousand visitors on the average. The most visited pages include apart from homepage, information on Prague's transport (for example searching for line connections, changes in transport, transport at the airport), fare in the territory of Prague, exceptional events and information on electronic ticket ("Lítačka"). Absolute number of visitors reached 20,461,203. The average visit time was 1 minute and 41 seconds. The most visits were recorded on 4th September 2017, when our pages were viewed by 71,163 visitors in connection with opening of school year.

In the area of **communication towards society**, intranet played an important role due to actual information transfer. In total 216 reports were published towards employees on the intranet main page.

The same number was distributed on the Communication body that represents an irreplaceable form of communication between operating workers with intranet access. DP Actually journal was published in form of a bulletin eight times a year, specifically again in electronic form and paper form. As traditionally, it informed employees about actual offerings of employee's discounts and benefits including invitations for events organized for employees. The area of internal communication includes preparation of organizational chart that continuously underwent updates and publishing on intranet in the section 0 DPP. DP Contact magazine celebrated its 22 years in a new layout. This year it was published as a monthly journal with the exception of a double issue in summer and Christmas extended edition.

The employee's magazine DP Contact was awarded with the 2nd prize in the category of magazines for employees at the 24th year of the corporate communication contest **Czech Top 100**. Professional jury composed of graphic designers, artistic photographers, experts for languages, polygraphy and communication considered language and stylistic correctness, content connection and artistic design, quality of print, photos, artistic design and overall image at evaluating. In 2017, DPP succeeded at final of the 10th year of **The European Business Award** contest. DPP took place among top 10 companies and was awarded by the Ruban D'Honneur award at the category of companies with turnover above 150 million euros. 33 thousand companies almost from all European enrolled for this contest. DPP was also awarded with the **Czech Technology Platform Smart Grid Award** for the year 2017. Its innovative project of dynamically recharged electric bus, tested at the section Palmovka – Letňany, succeeded.

Involvement in the **ZeEUS** (Zero Emission Urban Bus System) project organized by the International Association of Public Transport UITP offers DPP option to monitor the latest technologies and tendencies in the area of emission-free city bus systems. DPP is a member of the user's group and at the same time it participates in comparison of operating, technical and economic data from European electric buses operations within the so-called group ZeEUS Observatory. In October 2017, an updated overview of 90 electric buses operation in Europe was processed and issued, where of course electric buses projects of DPP are included.

The European project **ELIPTIC** (Electrification of Public Transport in Cities) is focused on research and demonstration projects in the area of the public mass transport electric mobility, in particular on use of various forms of recharging systems for electric buses. DPP engaged in this project in framework of the so-called initiative "Twinning cities", where the objective of works was preparation and review of the concept of dynamic recharging. Results and recommendations were applied on implementation of the pilot section of dynamic recharging in the Prosecká street (from 15th October 2017).

EBSF 2 project (European Bus System of the Future) solves improvement of efficiency of bus systems for conventional and alternative fuel. DPP was involved in the user group due to monitoring and possible use of options of energy management of vehicles (in particular optimization of solutions and setting of air-conditioning and heating) and also verification of parameters and results of eco-driving systems in various European cities.

In 2017, the project of the International Association of public transport UITP **NGTC** (New Generation Train Control) was ended. This project was devoted to development of new generation of train security equipment for metro and railway. Conclusion of the project was a finding that many functions of train security equipment for metro CBTC and railway ETSC are identical. However, there are also quite different requirements. This means that costs of development and production of the train security system with the utilization of joint parts can be reduced at the train security system next generation. However, most likely it will not be possible to develop a universal joint train security system for metro and railways.

In October, DPP hosted **the 24th session of the Security Commission UITP**. 31 participants from total 17 countries and 3 continents arrived for this event to Prague. The key topics discussed at the session included cybernetic security, guard and recognition camera systems and in particular an anti-terrorist project. This project elaborates standard risk situations in the public transport, as they are finding of a suspicious luggage, occurrence of a suspicious behaviour and active attack of an armed individual. At conclusion of the session, the Prague project of security Wi-Fi in the metro network was introduced. This program also included visit at the Central Dispatching building, where DPP introduced the system of transport crisis management.

A number of **foreign delegations** that were interested in particular in technological centres, repairshops and dispatching centres prove significant position of DPP among European and worldwide transporters. DPP is a sought-after partner not only to exchange experiences from operation, organization and funding, but very often due to a number of other detailed aspects of the city mass transport. At the beginning of the year, DPP welcomed representatives of the **British** university in Loughborough, who came to Prague to know the system of public transport in Prague, development projects and history at the Public Mass Transport Museum in Střešovice. In January, members of the management of **Slovak** transport company Bratislava met DPP's management and exchanged experiences from enforcing of unpaid penalties for fare evasion. In spring, a **British** delegation from the Arriva Wales transport company

again came to visit DPP. A multi-member group of **Turkish** experts stayed for few days and familiarized themselves with the system of Prague public transport. They discovered through discussions and presentations that rail transport was very important for Prague. They were surprised with the scope of offerings of services to passengers and volume of investments expended to recovery of the company's fleet during the past period. A delegation from **South-Korean** province Kyungnam visited Prague in March. These employees of a transport company performing operations in this province came to visit Prague to share information and experiences from public mass transport operation. Memberes of this delegation were captured by the Prague tram transport and easiness of co-existence of cars and trams in the street network. A **Danish** group admired the tram control system when visiting the tram dispatching centre and they used the option to visit the tram repairshop in Hostivař. In April, a **Russian** delegation – International Association of Metro wanted to know recovery of the metro fleet. May's foreign visits started with a group of eight experts for public transport from the **Polish** metropolis. This visit took place by reason of the planned purchase of software for processing of use of timetables in Warsaw. This delegation was followed by a **Hungarian** group from the Budapest's transport company BKV and the Budapest's organizer BKK. They visited the building of the Central dispatching centre. They had the opportunity to discuss with DPP's experts and members of the ROPID organization and watch the train dispatching centre. A very special visit was a group from Near East's **Oman**. This delegation led by the first lady of the Oman Sultanate were interested in tram transport and infrastructure. The **Dutch** delegation of experts for rail transport was captured by a rich history of public mass transport and significance of the city rail system, including development projects (D metro line, construction of new tram tracks). A group from **Austrian** Innsbruck was surprised by a high standard of the Prague's public transport and in their opinion such standard has no parallel in Europe. On the last May's day, DPP welcomed **South-Korean** delegation. Members of this delegation – employees of a transport company arrived to Prague during their study trip through Europe. They wanted to share information and experiences from operation of public transport. This delegation was surprised by the extent of flood in the year 2002 and consequent

damages on the metro infrastructure. At the beginning of May, DPP allowed experts, participants in the **InnovaSUMP international conference** – sheltered by the Institute of Planning and Development of the Capital City of Prague, to inspect the Zličín depot. The InnovaSUMP project facilitates introduction of innovations in the plans of sustainable city mobility towards low-carbon traffic solutions. Experts from the **Slovak** Žilina came to Prague during summer holidays and visited the Petřín funicular's engine room and Zličín depot. Experts for tram transport from the **Polish** Cracow came to DPP and its tram section. During their visit, they made excursion to the tram repairshop. The main topic of a summer visit, i.e. representatives of the town hall of the **Turkish** city Izmir, was underground track. This delegation was acquainted through presentations with our fleet and Prague's metro infrastructure. Their program also included examination of the newest A metro line section Dejvická – Nemocnice Motol, accompanied by a professional commentary and visited back offices. The scope of interest of an **international** group of twenty experts for trams was the Pankrác depot. This group was very interested in individual tram types, their operation and maintenance. They paid special attention to among others lubricating tram "Mazačka". A **German** group from DP Leipzig was interested in operating experiences with SOR EBN 11 electric bus. Apart from ride on a vehicle under usual operation with passengers they paid attention to the recharging system at the Želivského swinging area from the adjacent tram track through the stationary galvanic separator. A group from **Belarusian** DP Minsk came to visit Prague led by the director of metro operation. They watched presentations and this way were acquainted with renovation of the metro fleet during the past years. They also visited the train dispatching centre, Kačerov and Hostivař depots including OZM. We devoted to **Chinese** delegation from Shanghai. They were surprised mainly with functionality of the trail transport system (mainly tram transport) and extent of offered services; after all like every Asian delegation coming to Prague. A **Russian** delegation came to visit the tram repairshop in Hostivař. They examined technologies and the process of tramcars modernization. Experts for transport from the **Chinese** province Zhejiang arrived to Prague with the objective to become familiar in details with the public transport and get inspired.

We prepared a program for representatives of the metropolitan authority of the **Bulgarian** Sophia during first days in October. They visited Prague in framework of the CIVITAS international project. The main topic of this initiative is cooperation of cities in the area of environmentally-friendly and better transport. We presented Prague's designs of electric buses, modernization of tram track, specifically including presentation of particular cases in-situ. An excursion to the dispatcher's operation control also took place. Other important foreign visits included delegation from the **Brussels's** DP that visited the train and tram dispatching centre. A group of **Swedish** experts for rail transport visited the building in Sokolovská, where they were acquainted through presentations with complex activities performed by DPP. Asia continent was represented by **South-Korean** delegation in October. They were interested in DPP's scope of services and labour issues concerning employees of the biggest company in Prague. In November, **British** delegation was again welcomed in Prague – delegation from the transport company Arriva Wales. Thanks to their repeated visits they can notice significant investments to renovation of tram infrastructure and fleet. Two professional groups arrived to Prague from the neighbouring **Slovakia**; one group was interested in the bus traction and visited the bus repairshop in Hostivař, and the second group preferred rail vehicles (metro depot Kačerov and tram repairshop). Experts from the **Polish** Gdansk together with a member of the Trolley-bus Commission of the International Association of Public Transport UITP shared with our experts experiences from the running trolleybus project of DPP at the end of the month. Their program included presentation of trolley-bus and recharging infrastructure of the dynamic recharging near Palmovka. Students of the **Dresden's** Secondary Technical School of Transport spent as a tradition two last days of November. Many employees from various DPP's operation cared for them. In December, four delegation visited DPP – a **French** group interested in metro fleet, a **Russian** group met a deputy mayor of the city and had the opportunity to discuss the topic of public transport and visited exhibits of the Public Mass Transport Museum. **Chinese** experts paid attention to the tram fleet and activities performed at the Pankrác carriage shed and **Ukrainian** representatives came by at the Hostivař tram repairshop.

Central Purchasing Division

In 2017, the Central Purchasing division under its powers kept records of contractual relations, which were concluded with providers of services, suppliers and contractors of building works during previous years. It has commenced works on unification of internal directives concerning purchasing supplies processes. It was focused on ensuring economically favourable conditions for DPP with maintaining or improving quality of services, supplies and constructional works on legislation-legal level. Its activities were

devoted to preparation of supporting documents and unification of partial requirements of individual departments of DPP, which are necessary for more efficient realization of inquiry procedures and tenders. In the area of acquisition of services and material, a long-term task to acquire favourable suppliers in terms of economy was realized. It continued to work on the process of publicizing contracts and orders at the registry of contracts.

In 2017, the division of purchasing of services and material issued 34,202 orders, which is a growth by 2.25% compared to the previous year. The division of inquiry procedure prepared inquiry procedures – increase with 51.9% compared to the year 2016.

The department of public orders commenced activities on installation of the dynamic purchasing system for suitable commodities (in particular spare parts for buses and trams). Compared to the year 2016 the number of cancelled tender procedures decreased significantly.

Legal Division

In 2017, we completed transformation of the 900200 Legal division (hereinafter only the "Legal division"). The Legal division shelters all legal agenda of the company with the exception of legal relations concerning real estate. The legal division consists of 4 departments, in particular:

- a) 900210 Operating Damages department
- b) 900220 Organizational and Control Standards department
- c) 900230 Support to Public Orders department
- d) 900240 Legal Support department

In 2017, performances of the agenda concerning insurance were centralized. Since 1st June 2017, this agenda has been entrusted to

900210 Operating Damages department. This department prepared analysis of DPP's insurance optimization and in cooperation with the director in charge of the economic department it commenced negotiations concerning possible discounts on insurance. On the basis of analysis and results from negotiations we reached savings amounting to MCZK 80 for the years 2017 and 2019.

In 2017, the legal division was completed with 900220 Organizational and Control Standards department. In total 219 organizational and control standards and 169 templates of forms were issued or updated in the year 2017.

The 900230 Support to Public Orders dpt. and 900240 Legal Support dept recorded a growth in its agenda, when these departments were providing consultancy in the year 2017. In total 1232 requirements were handled in the year 2017. In particular it concerned handling of comments to draft contracts, standpoints and statements on internal labour-legal issues and claims.



Companies with Investment Share

Pražská strojírna a.s.

The main scope of activities is development and production of rail constructions and point switch systems for tram transport. Complete servicing of point switch system is completed with other components, as they are tram switches with flexible replaceable flaps in various modifications according to client's requirements, heating of switches, track drainage and other engineering production.

The Prague Public Transit Co., Inc. is the sole shareholder.

The Secondary Technical School of Transport, Inc. (in Czech: Střední průmyslová škola dopravní, a.s.)

The main activities of the company are teaching, training and education in three organizational units of the school, i.e. the Secondary Technical School of Transport, the Vocational Secondary School and the Vocational School.

The Prague Public Transit Co. Inc. is the sole shareholder.

RENCAR PRAHA, a.s.

The company has been engaged in all types of advertising activities from operation of advertising all-decorated trams, buses and metro sets to rent of showcases at bus stations.

The Prague Public Transit Co. Inc. owns 28% of shares.

Report from the Supervisory Board of the Prague Public Transit Co. Inc. in 2017

The Supervisory Board of the Prague Public Transit Co. Inc. (hereinafter only the "Supervisory Board") worked in the year 2017 in the composition:

Petr Dolínek, the Chairman of the Supervisory Board, Ing. Jarmila Bendová, the Vice-Chairman of the Supervisory Board, Mgr. Petra Kolínská, the Vice-Chairman of the Supervisory Board, Bc. Oldřich Schneider, the Vice-Chairman of the Supervisory Board, Bc. Jan Kolář, Josef Buriánek, Václav Pospíšil, Jiří Obitko, Ing. Vojtěch Kocourek, Ph.D., Ing. Petr Hlubuček, JUDr. Petr Novotný, Martin Slabý, Jaroslav Štěpánek, Ing. Marek Doležal and Petr Šimůnek, the members of the Supervisory Board.

The following personnel changes took place at the Supervisory Board during the course of the year 2017:

On 6th June 2017, membership at the Supervisory Board expired to Bc. Oldřich Schneider and Václav Pospíšil, specifically with expiration of 4-year office.

On the basis of the resolution No. 1284 made by the General Assembly of the Council of the Capital City of Prague of 6th June 2017, Josef Buriánek was withdrawn from the office of the member of the Supervisory Board and Vratislav Feigel, Jan Lebeda and Ing. Peter Hlaváč were elected to the office of members of the Supervisory Board.

Regularly Discussed Matters:

In 2017, 11 sessions of the Supervisory Board were performed. Among other matters, the company's Supervisory Board on regular base:

- monitored the operating economy of the Prague Public Transit Co., Inc. (hereinafter only "DPP") and development of sales (discussing the quarterly and semi-annual economic results, annual financial statement, calculation of PID's costs and development of funds drawing);
- discussed fulfilment of the plan of tenders and their members participated in rating commissions evaluating suppliers' tenders;
- discussed supporting documents and adopted conclusions from session of the company's Board of Directors and the General Meeting;
- discussed the proprietary relations: granted approvals to conclusion of individual contracts resulting in limitation or proprietary rights or creation of a lien to movables or immovables in property of the Prague Public Transit Co. and granted approvals to conclusion of some contracts concerning sale of DPP's real estate and lease of DPP's real estate for a definite period (above 1 year of lease period);
- monitored individual steps of preparation for the construction of I.D. metro track;
- granted approval to election or withdrawal of members of the Board of Directors of companies with proprietary share of the Prague Public Transit Co.;

- monitored performances of recommended remedial measures that arose from internal auditing results;
- discussed the DPP's investment plan and monitored its performance and changes.

The Supervisory Board was dealing with a number of issues across all areas of the company's business.

The Supervisory Board discussed the content of the Study of Variant Phasing of I.D. Metro Track Construction and acknowledged commencement of preparation and follow-up realization of additional geologic survey and continuance of preparation of implementation of the Variant No. IV according to the Study of phasing of progress of I.D. construction Pankrác – Písnice depot. Further the Supervisory Board was informed about results of geo-technical survey for the Geological survey for the I.D. metro track construction and approved the budget costs of the additional geological survey of I.D. metro track.

The Supervisory Board recommended to the company's Board of Directors to continue in implementation of relevant steps to insure compliance in the area of the General Data Protection Regulation with the new legislation in DPP's environment.

The Supervisory Board paid regular attention to the issue of contractual relation concerning lease of areas for advertising purposes in property of the Prague Public Transit Co. Inc., sale of electronic fare and land transport control system.

Conclusion:

The Supervisory Board of the Prague Public Transit Co. very carefully monitored the continuous economic results, discussed quarterly reports on achieved economic results on regular base, including calculations of costs for PID. Its activities contributed in large extent to functioning of the Prague Public Transit Co.

The Supervisory Board paid high attention to selected contractual obligations of DPP and delegated representatives of the Supervisory Board worked significantly on works of evaluating commissions with respect to announced selection procedures and public orders in the year 2017.

We must state that the Supervisory Board of the Prague Public Transit Co. worked with due care of proper economist and duly performed its powers as the control body of the company in compliance with valid laws, the articles of association of the company, other regulations and interests of the sole shareholder – the Capital City of Prague and it supervised over performance of office of the Board of Directors and company's economy at the course of the year 2017.



Report from the Auditing Committee of the Prague Public Transit Co. Inc. in 2017

In compliance with the Act No. 93/2009 Coll. on Auditors, the General Assembly decided to establish the Auditing Committed (hereinafter only as "VpA"), as the body of the Prague Public Transit Co. Inc. (hereinafter as "DPP") on 19. 1. 2010. In 2017, VpA worked as an independent company's body and issued resolutions and minutes of meeting from its sessions. These resolutions and minutes of meeting were archived.

VpA has tree members elected by the DPP's General Assembly:

- Ing. Aleš Michl, the Chairman of the Auditing Committee,
- Ing. Zdena Javornická, the Vice-Chairman of the Auditing Committee,
- Ing. Ladislav Langr.

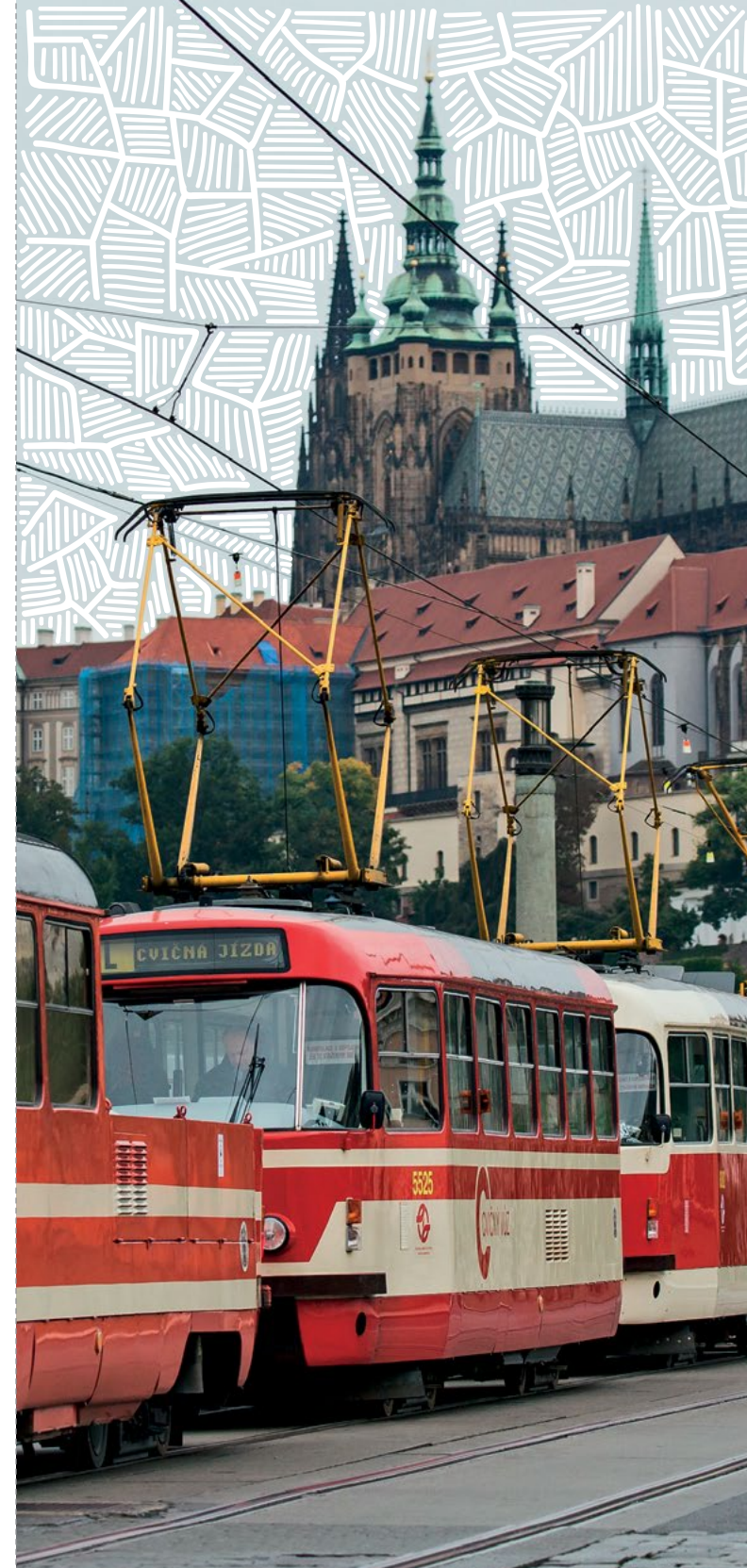
No personnel changes occurred in the composition of VpA at the course of the year 2017

In 2017, the Auditing Committee was summoned in total for 7 sessions. These sessions were always governed by approved program and materials, which were sent to members of the Auditing Committee in advance.

VpA was dealing at its sessions in particular with the following topics:

- process of compiling the Financial Statements;
- recommendation for an external auditor;
- evaluation of independence of a statutory auditor;
- the process of mandatory auditing of the Financial Statements;
- monitoring of effectiveness of internal control, the risk management system;
- monitoring of effectiveness of internal auditing and its functional independence;
- continuous quarterly economic results of DPP;
- information on activities of the Internal auditing department;
- final reports from internal auditing;
- information on performance of remedial measures;
- information from meetings of DPP's Board of Directors and the Supervisory Board.

Considering the issues discussed the managing director, the director in charge of the economic department, the director in charge of the internal auditing department and possibly other professional employees of DPP or DPP's external auditor were invited to meetings on regular base. In 2017, VpA fulfilled its obligations given by the valid legal regulations and the articles of association of the Prague Public Transit Co., Inc.



As activities of VpA are concerned, we can mention the following:

At its session held on 25th January 2017, VpA approved the submitted plan of internal auditing for the year 2017 and acknowledge the summary report on activities of the Internal auditing division for the year 2016.

On 2nd March 2017, VpA approved the submitted report on activities of the Auditing Committee for the year 2016 and acknowledged the report from auditing of the Internal control system and approved Update of the rules of procedure of the Auditing Committee.

On 25th April 2017 VpA with its resolution No. 3/2017/2 acknowledged the auditor's verification of the financial statement of the company for the year 2016, annual report for the accounting period of 2016 of the Prague Public Transit Co., Inc. and the report from independent auditor of the company NEXIA AP a.s. to the financial statements and annual report for the year 2016.

At its session held on 8th June 2017, VpA with its resolution No. 4/2017/6 approved the report on activities of the Auditing Committee and instructed the chairman of the Auditing Committee to submit this report to the Council for General Supervision over Auditing.

On 24th August 2017, VpA acknowledged the Ethic Code of the Prague Public Transit Co., Inc. and approved update No. 1 of the Internal Auditing Plan for the year 2017.

At its session held on 29th November 2017, VpA with its resolution No. 6/2017/2 acknowledged the prepared documents on the planned procedure of preparation of financial statements for the year 2017 at DPP and approved update No. 2 of the Internal Auditing Plan for the year 2017.

The Auditing Committee will aspire among others for supervision over implementation of the risk management system at DPP in the year coming.



Act No. 106/1999 Coll.

on free access to information

Annual Report for the year 2017 about activities of the Prague Public Transit Co., Inc. in the area of provision of information pursuant to the Act No. 106/1999 Coll., on free access to information, as amended.

In compliance with provisions in Section 18, para 1, of Act No. 106/1999 Coll., on free access to information, as amended, (hereinafter as the “Act on Information”) this Annual Report for the year 2017 concerning activities of the Prague Public Transit Co. Inc. (hereinafter only as “DPP”) in the area of provision of information pursuant to the Act on information, is submitted.

- 1. The number of submitted applications for information and the number of issued decisions about refusal of application:**

a) The number of submitted applications for information:

78

b) The number of issued decisions about refusal of application:

15
- 2. The number of submitted appeals against decisions:**

3
- 3. Data on judicial review of decisions about appeal:**

0

a) Transcription of substantial parts of each judgement on merits of review of legality of the decision on refusal of application for provision of information:

b) List of all expenses, which were expended in connection with the judicial proceedings concerning rights and obligations pursuant to law, be specific including expenses for own employees and expenses for legal representation:

• total expenses: no expenses were expended

- 4. Enumeration of granted exclusive licences including grounds for the necessity to provide exclusive licence:**

no exclusive licences were granted;
- 5. Data on complaints submitted against the procedure of attending to the applications for information (hereinafter only as the “complaint”):**

a) The number of submitted complaints:

3

b) Reason for submission of a complaint against the procedure conducted by the Prague Public Transit Co. Inc.:

• Section 16a, para 1, letter a)

2

• Section 16a, para 1, letter d)

1

c) Manner of settlement by the Prague Public Transit Co. Inc.:

• Section 16a, para 6 a)

1

• Section 16a, para 6 b)

1

• Section 16a, para 7 a)

1
- 6. Other information relating to settlement of applications for provision of information:**

a) Applications for the provision of information related to most often:

• financial performance paid by the Prague Public Transit Co. Inc.

Content

A photograph of a red and white tram and a bus on a bridge, with three cartoon monkeys overlaid in the foreground. The tram is numbered 8505 and the bus is numbered 3364. The bridge has a white lattice structure. The monkeys are white with red accents and are in various poses.A photograph of a red and white tram and a bus on a bridge, with three cartoon monkeys overlaid in the foreground. The tram is on the right, and the bus is on the left. The bridge has a white lattice structure. The monkeys are white with red accents and are in various poses.

Operating-technical indicators

Number of operated lines, their length (in km) and average speed (in km/h)

	Number of operated lines		Length of lines in km	Average speed (in km/h)	
	Day-time	Night-time		transit	Circulating (operating)
Metro	3	-	65,4	35,65	33,21
Trams	25	9	557,3	18,56	13,10
Buses	130	15	1 827,4	25,16	16,70

Note: without the historic (nostalgic) tram line and the Petřín funicular.

Average number of dispatched vehicles per 1 day (during regular operation excluding operation during holidays)

	Morning Peak	Settled down	Afternoon Peak	Saturday	Sunday
Metro	508	264	417	170	185
Trams	651	502	651	378	356
Buses	921	522	865	418	403

Operating kilometres per vehicle and place (in thousand km)

	Kilometres per vehicle (thousand vozkm)	Kilometres per place (thousand mkm)
Metro	58 128	10 711 267
Trams	42 661	6 370 034
Buses	64 287	5 485 984
Funicular	23	2 276
In total	165 099	22 569 561

Note: excluding kilometres of contractual transport, substitute bus transport and historic (nostalgic) tram line, kilometres per vehicle of trams are not re-counted. Buses are counted including suburban lines.

Percentage of mends and energy consumption

	Percentage of mends of vehicles	Consumption of traction energy		Consumption of diesel fuel	
		In thousand kWh	For 1 km per vehicle	In thousand litres	For 1 km per vehicle
Metro	12,78	112 850	1,93	-	-
Trams	17,51	129 521	3,00	-	-
Buses	8,33	-	-	29 616	0,44

List of lines

Metro lines operated as of 31. 12. 2017

	Route	Length of track in m *	Running time in minutes
A	Nemocnice Motol – Depo Hostivař	16 957	31,17
B	Černý Most – Zličín	25 706	41,17
C	Háje – Letňany	22 425	35,83

* Length of track means the distance between mid points of terminal stations on 1st rail, data come from survey of actual situation and it was provided by the Metro transport route unit (JDCM). Time according to book timetables (SJŘ) was used for the running time – always the longest one for each track.

Metro lines operated as of 31. 12. 2017

A line consists of 17 stations:	B line consists of 24 stations:	C line consists of 20 stations:
Nemocnice Motol	Černý Most	Háje
Petřiny	Rajská zahrada	Opatov
Nádraží Veleslavín	Hloubětín	Chodov
Bořislavka	Kolbenova	Roztyly
Dejvická	Vysočanská	Kačerov
Hradčanská	Českomoravská	Budějovická
Malostranská	Palmovka	Pankrác
Staroměstská	Invalidovna	Pražského povstání
Můstek (transfer station)	Křižíkova	Vyšehrad
Muzeum (transfer station)	Florenc (transfer station)	I. P. Pavlova
Náměstí Míru	Náměstí Republiky	Muzeum (transfer station)
Jiřího z Poděbrad	Můstek (transfer station)	Hlavní nádraží
Flora	Národní třída	Florenc (transfer station)
Želivského	Karlovo náměstí	Vltavská
Strašnická	Anděl	Nádraží Holešovice
Skalka	Smíchovské nádraží	Kobylisy
Depo Hostivař	Radlická	Ládví
Zone operation: Skalka – Depo Hostivař (only during business days from 6 AM till 7 PM)	Jinonice	Střížkov
	Nové Butovice	Prosek
	Hůrka	Letňany
	Lužiny	Zone operation: Ládví – Letňany (only during business days from 9 AM till 7 PM)
	Luka	
	Stodůlky	
	Zličín	

Tram lines operated as of 31. 12. 2017 (basic line connections – state without closures)

Day-time lines

Line	Route	Average length without loops in m	Average running time in minutes
1	Sídlíště Petřiny – Spojovací	14 110	42,5
2	Sídlíště Petřiny – Nádraží Braník	14 670	45,0
3	Levského / Sídl. Modřany – Kobylisy / Březiněveská	20 270	60,5
4	Sídlíště Barrandov – Čechovo náměstí	11 240	39,0
5	Sídlíště Barrandov – Ústřední dílny DP	17 560	56,5
6	Palmovka – Kubánské náměstí	13 230	48,5
7	Radlická – Černokostelecká	11 590	41,0
8	Nádraží Podbaba – Starý Hloubětín	13 790	44,0
9	Sídlíště Řepy – Spojovací	17 380	54,0
10	Sídlíště Řepy – Sídlíště Ďáblice	22 290	72,5
11	Spořilov – Spojovací	12 700	44,0
12	Sídlíště Barrandov – Výstaviště Holešovice	15 980	53,0
13	Čechovo náměstí – Černokostelecká	8 331	31,0
14	Spořilov – Nádraží Vysočany / Vysočanská	15 330	53,0
15	Kotlářka – Olšanské hřbitovy	11 450	39,5
16	Sídlíště Řepy – Lehovec	22 740	72,5
17	Levského / Sídl. Modřany – Vozovna Kobylisy	20 030	54,5
18	Nádraží Podbaba – Vozovna Pankrác	11 390	41,0
20	Sídlíště Barrandov – Divoká Šárka	16 920	49,5
21	Levského / Sídl. Modřany – Radlická	13 997	36,0
22	Bílá Hora – Nádraží Hostivař	20 950	67,5
22	Zvonařka – Královka	8 275	33,0
24	Březiněveská / Kobylisy – Kubánské náměstí	14 340	51,5
25	Bílá Hora – Lehovec	17 560	51,5
26	Divoká Šárka – Nádraží Hostivař	20 550	63,0

Night-time lines

Line	Route	Average length without loops in m	Average running time in minutes
91	Divoká Šárka – Nádraží Strašnice / Radošovická	18 840	59,5
92	Lehovec – Nádraží Modřany / Levského	22 230	55,5
93	Sídliště Ďáblice – Vozovna Pankrác	16 020	46,5
94	Lehovec – Sídliště Barrandov	22 240	62,0
95	Vozovna Kobylisy – Ústřední dílny DP	21 500	60,0
96	Sídliště Petřiny – Spořilov	17 220	50,5
97	Bílá Hora – Nádraží Hostivař	21 310	60,5
98	Sídliště Řepy – Spojovací	18 610	52,5
99	Sídliště Řepy – Nádraží Hostivař	20 600	57,5

Funicular and historic tram

Line	Route	Average length without loops in m	Average running time in minutes
LD	Újezd – Petřín	510	3,0
41	Vozovna Střešovice – Výstaviště Holešovice	9 310	35,0



Bus lines operated by DPP as of 31. 12. 2017

a) Bus lines within the basic network

Line	Route	Average length of line in m	Average running time in minutes
100	Zličín – Airport	11 050	19
101	Zentiva – Tolstého	12 225	35
102	Šimůnkova – Staré Bohnice	6 900	17
103	Ládví – Březiněves	6 500	15
105	Smíchovské nádraží – Smíchovské nádraží	9 500	19
106	Kačerov – Nádraží Braník	7 575	21
107	Dejvická – Suchdol	5 925	13
108	Sídliště Na Dědině – Bořislavka	13 125	37
109	Palmovka – VÚ Běchovice	12 900	30
111	Skalka – Koloděje	12 800	29
112	Nádraží Holešovice – Podhoří	4 975	13
113	Kačerov – Točná	10 975	27
116	Dejvická – Nebušice	9 600	23
117	Poliklinika Budějovická – Čechova čtvrť	13 850	37
118	Sídliště Spořilov – Smíchovské nádraží	10 900	28
119	Nádraží Veleslavín – Airport	8 750	19
120	Na Knížecí – Nádraží Radotín	16 100	40
121	Poliklinika Budějovická – Nádraží Braník	8 700	26
123	Na Knížecí – Šmukýřka	5 750	17
124	Habrová – Dvorce	13 450	45
125	Smíchovské nádraží – Skalka	24 050	48
128	Hlubočepy – Hlubočepy	2 250	8
129	Smíchovské nádraží – Baně	13 050	21
130	Zličín – Chaplinovo náměstí	13 325	31
131	Bořislavka – Hradčanská	5 650	17
133	Florenc – Sídliště Malešice	6 425	20

134	Podolská vodárna – Zelený pruh	6 400	23
135	Florenc – Chodov	13 050	41
136	Sídliště Čakovice – Jižní Město	25 975	74
137	Na Knížecí – Malá Ohrada	12 775	37
138	Sídliště Skalka – Ústavy Akademie věd	12 900	38
139	Želivského – Komořany	15 250	45
140	Palmovka – Miškovice	11 325	29
141	Hloubětínská – Ve Žlíbku	10 950	27
142	Nové Butovice – Velká Ohrada	3 675	10
143	Dejvická – Stadion Strahov	4 000	12
144	Kobylisy – Poliklinika Mazurská	3 475	7
145	Kobylisy – Sídliště Čimice	4 300	11
147	Dejvická – Výhledy	6 575	15
148	I. P. Pavlova – I. P. Pavlova	4 200	16
149	Dejvická – Bavorská	17 000	46
150	Želivského – Na Beránku	14 275	41
151	Českomoravská – Novoborská	8 575	24
152	Sídliště Čimice – Českomoravská	10 925	28
154	Strašnická – Koleje Jižní Město	21 100	57
156	Nádraží Holešovice – Nádraží Holešovice	9 100	30
157	Kačerov – Násirovo náměstí	6 850	18
158	Letňany – Třeboradice	8 025	20
160	Dejvická – Výhledy	11 425	31
161	Bořislavka – Přední Kopanina	6 575	14
162	Kobylisy – Dolní Chabry	4 450	11
163	Želivského – Sídliště Rohožník	18 600	46
167	Na Knížecí – Nemocnice Na Homolce	7 675	21
168	Nové Butovice – Bílá Hora	17 175	45
169	Kobylisy – Sídliště Čimice	4 325	10
170	Jižní Město – Pražská čtvrť	19 825	56

172	Smíchovské nádraží – Na Hvězdárně	8 325	17
174	Vypich – Třebonice	12 100	29
175	Florenc – Háje	18 250	55
176	Karlovo náměstí – Stadion Strahov	4 575	15
177	Poliklinika Mazurská – Chodov	27 850	75
180	Obchodní centrum Zličín – Dejvická	14 700	41
181	Černý Most – Opatov	14 300	38
182	Poliklinika Prosek – Opatov	18 175	47
183	Vozovna Kobylisy – Háje	23 025	57
184	Velká Ohrada – Vypich	8 050	20
185	Palmovka – Vinořský hřbitov	12 775	29
188	Želivského – Kavčí hory	13 650	40
189	Kačerov – Sídliště Lhotka	4 375	12
190	Smíchovské nádraží – Na Beránku	9 450	21
191	Na Knížecí – Airport	20 575	52
192	Nemocnice pod Petřínem – Nem. pod Petřínem	1 950	10
193	Nádraží Vršovice – Šeberák	11 700	36
195	Krausova – Jesenická	15 725	44
196	Kloboučnická – Smíchovské nádraží	12 800	33
197	Háje – Smíchovské nádraží	22 725	54
200	Kobylisy – Sídliště Bohnice	4 100	10
201	Nádraží Holešovice – Černý most	21 700	54
202	Poliklinika Mazurská – Nádraží Kbely	16 175	38
207	Staroměstská – Ohrada	5 375	22
213	Želivského – Nádraží Uhříněves	17 850	45
215	Kačerov – Sídliště Libuš	4 700	13
222	Černý most – VÚ Běchovice	7 450	15
225	Velká Ohrada – Nové Vokovice	14 100	39
227	Háje – Nedvězí	13 725	32
228	Nádraží Uhříněves – Benice	3 775	9

229	Depo Hostivař – Královice	14 375	31
230	Holyně – Filmové ateliery	7 800	21
231	Na Knížecí – Na Knížecí	5 050	16
236	Zámky – Podhoří	6 900	16
239	Palmovka – Sídliště Rohožník	16 550	37
241	Smíchovské nádraží – Lipence	13 950	24
244	Smíchovské nádraží – Sídliště Radotín	11 000	20
245	Nádraží Radotín – Nádraží Radotín	6 150	18
246	Sídliště Stodůlky – Zbraslavské náměstí	18 875	38
250	Černý Most – Sídliště Rohožník	12 075	22

b) Night-time lines

Line	Route	Average length of line in m	Average running time in minutes
901	Anděl – Skalka	30 875	64
902	Lysolaje – Třebonice	21 650	44
903	Chaplinovo náměstí – Sídliště Radotín	10 900	23
904	Sídliště Stodůlky – Sídliště Písnice	27 725	60
905	Sídliště Čimice – Jižní Město	29 375	64
906	Skalka – Nedvězí	30 350	63
907	Přední Kopanina – Lipence	35 975	72
908	Jinonice – Koloděje	30 900	69
909	Suchdol – Sídliště Rohožník	33 325	71
910	Letiště – Na Beránku	34 875	77
911	Sídliště Čakovice – Nádraží Hostivař	38 000	76
912	Lehovec – Ve Žlábku	8 075	17
913	Dolní Chabry – Točná	36 575	79
914	Sídliště Dáblice – Březiněves	5 300	10
915	Miškovice – Cukrovar Čakovice	2 600	6

c) School lines

Line	Route	Average length of line in m	Average running time in minutes
251	Sídliště Čimice – Šimůnkova	4 250	10
252	Ústřední – Morseova	6 450	17
253	Štěrboholy – Škola Dubeč	4 575	8
255	Nebušice – Dejvická	10 950	27
256	Knovízská – Mokrá	2 350	7
258	Žvahov – Hlubočepy	8 950	23
259	Hostavice – Hloubětínská	7 350	18
260	Bílá Hora – Na Okraji	4 250	13
261	Sídliště Zbraslav – Velká Chuchle	13 700	30
262	Sídliště Rohožník – Ratibořická	12 875	28
264	Polesná – Sudějovická	3 700	11
265	Stadion Strahov – Weberova	4 700	11
266	Nové Butovice – Zadní Kopanina	7 350	17
267	Habrová – Olšanské náměstí	2 800	9
269	Otěšínská – Škola Radotín	3 450	12
270	Pitkovice – Na Vartě	5 650	14
271	Správa sociálního zabezpečení – Škola Radlice	3 700	10
272	Dolnokřeslická – Nádraží Uhříněves	6 450	17
275	Náměstí Jiřího Berana – Sídliště Čakovice	2 200	6

d) Suburban lines

Line	Route	Average length of line in m	Average running time in minutes
301	Luka – Chýnice	8 400	19
305	Náměstí Jiřího Berana – Hovorčovice	2 200	5
312	Bořislavka – Lichoceves	16 050	33
329	Sídlíště Skalka – Škvorec, náměstí	28 625	59
340	Dejvická – Roztoky, Levý Hradec	10 250	21
347	Zličín – Motol	22 250	45
351	Letňany – Neratovice, žel. st.	19 275	42
352	Luka – Jinočany, náměstí	7 225	18
355	Dejvická – Únětice	10 600	23
359	Suchdol – Roztoky, Bělina	11 925	26
363	Opatov – Velké Popovice, Todice	24 000	52
364	Depo Hostivař – Doubek	23 025	45
366	Depo Hostivař – Březí, Podskalí	20 125	40
Night-time suburban line			
955	Modrá škola – Čestlice	8 750	20

e) ZLD lines

(these lines are intended for persons with disability of movement and orientation and their accompaniment)

Line	Route	Average length of line in m	Average running time in minutes
H1	Chodov – Obchodní centrum Černý Most	38 725	96

f) Airport Express line

Line	Route	Average length of line in m	Average running time in minutes
AE	Hlavní nádraží – Airport	17 975	41



Important Changes in Line Connections within PID at the Course of 2017

25. 3. 2017

 - line No. **13** converted to the Čechovo náměstí – I.P. Pavlova – Černokostelecká route
 - line No. **15** strengthening capacities during business days with coupling the line (or as the case may be deployment of KT, 15T vehicles)
 - line No. **21** converted to the Levského / Sídliště Modřany – Anděl – Radlická route
 - a new line No. **23 established** on the Zvonářka – I.P. Pavlova – Malovanka – Královka route
 - line No. **91** renumbered to the line No. 41 on the Vozovna Střešovice – Výstaviště Holešovice route
29. 4. 2017

 - all line connection directed to the Nemocnice Motol station on A metro line
 - all line connection directed to the Letňany station during morning peak on C metro line
 - **on all metro lines** – limited Friday´s operation was cancelled and strengthening of evening operation
 - **on selected bus lines** – strengthening of operation in the evening according to connection with metro lines
 - **night tram lines 51–59 were renumbered to 91–99**
 - **night bus lines 501–515 and 605 were renumbered to 901–915 and 955**
 - **renumbering of lines: 253 to 190, 265 to 228, 266 to 229, 267 to 227**
 - line No. **118** – strengthening of capacities during weekends with deployment of articulated vehicles
 - line No. **184** – shortened to the Velká Ohrada – Vypich/Kukulova route
 - line No. **213** – extended to the Želivského – Jižní Město – Nádraží Uhříněves (a part of line connections) route
 - line No. **901** – extended to the Anděl – Novodvorská – Opatov – Na Košíku – Skalka route
 - line No. **906** – converted to the Skalka – Strašnická – Nové náměstí – Nedvězí route
 - a new line No. 908 was **established** on the Anděl – Jinonice route
 - line No. **513** was cancelled (Palmovka – Vinoř)
 - a new school line No. **572** was **established** on the Dolnokřeslická – Nádraží Uhříněves route
1. 7. 2017

 - line No. **15** – strengthening capacities during weekends with coupling the line (or as the case may be deployment of KT, 15T vehicles)
 - line No. **142** – shortened to the Nové Butovice – Velká Ohrada route
 - a new line No. **225** was **established** on the Velká Ohrada – Nádraží Veleslavín – Nové Vokovice route

15. 8. 2017

 - **renumbering of the line:** line No **255** to **246**
 - line No. **137** change of the route: Na Knížecí – U Trezorky – Jinonice – Nové Butovice – Malá Ohrada
3. 9. 2017

 - line No. **101** converted to the Zentiva – Michelangelova / Skalka – Tolstého route
 - line No. **138** converted to the Sídliště Skalka – Michelangelova / Skalka – Ústavy Akad. věd route
 - a new line No. **239 was established** on the Palmovka – Sídliště Rohožník route (only until 31. 12. 2017)
 - line No. 257 was cancelled (Zličín – Sobín)
 - **school bus lines 551–575 were renumbered to 251–275**
8. / 9. 10. 2017

 - line No. **902** was converted to the Lysolaje – Třebonice route
 - line No. **903** was converted to the Chaplinovo náměstí – Sídliště Radotín route
 - line No. **907** was converted to the Přední Kopanina – Nebušice – Lipence route
 - line No. **908** was converted to the Jinonice – Koloděje route
 - line No. **909** was converted to the Suchbát – Sídliště Rohožník route
 - line No. **911** was converted to the Sídliště Čakovice – Cukrovar Čakovice – Nádraží Hostivař route
 - a new line No. **913** was **established** on the Dolní Chabry – Točná route
 - line No. **915** was converted to the Miškovice – Cukrovar Čakovice route

Note:

On 15. 10. 2017, a trolley-bus truck was put into operation between Kundratka and Kelerka stops for future trolley-bus line (with dynamic recharging) No. 58 on the Palmovka – Letňany route

The list of changes mentions only important changes of permanent nature. It does not include frequent temporary changes associated with investment activities, even if they are for longer time. Owing to the increasing number of request stops both in the bus transport and tram transport, these changes of types of stops are not even mentioned for the tram transport. The data mentioned concern only lines operated by DPP.

Division of the Transport Service Area into Zones

The Prague Integrated Transport (PID) is the system ensuring transport service in the Capital City of Prague and the Central Bohemia region by individual transporters in various types of transport. Transporters fulfil the transit contract in accordance with unified contractual transport conditions and tariff conditions.

Public City Transport – is the transport operated in the territory of the Capital City of Prague.

The territory of the Capital City of Prague in terms of tariffs is divided into P and O zones, which are totally included as four tariff zones.

“P” zone – has the double tariff value and includes metro (A, B, C lines), trams (line No. 1–26 and 91–99, all tram lines were renumbered as of 29. 4. 2017), public city transport buses (lines No. 100–275 and 901–915 [all night lines were renumbered as of 29. 4. 2017], the Petřín funicular, ferries and selected sections of railway.

“O” zone includes suburban bus lines within PID (lines No. 300–399 and 951–960, all night lines were renumbered as of 29.4. 2017) and selected track sections of railway. “O” zone is divided into “O” and “B” zones – the zone of cross-border stops. In framework of “O” zone, stops are defined and marked as **“B” zone** – the so-called cross-border stops. For purposes of PID’s tariff the “O” zone and “B” zone are included separately for individual fare (i.e. as two zones) and for pre-paid time-limited fare as one zone.

PID’s suburban transport – is the transport outside the territory of the Capital City of Prague, which is divided into seven external zones (tariff zones 1, 2, 3, 4, 5, 6, 7) for purposes of PID’s tariff. It includes bus lines Nos. 421–671.

Tariff for individual fares and time-limited pre-paid tickets:

1) Transfer – for individual tickets, pre-paid time-limited short-time tickets, time-limited coupons valid on the territory of the Capital City of Prague (“P” and “O” zones including “B” cross-border zone), combined time-limited coupons BUS+TRAIN valid for suburban buses and trains within O–7 zone.

List of stops included into B zone, for trains and buses within the PID system – stations and stops included into zone O or B, mentioned in the “Prague Integrated Transport Tariff” with the validity from 1. 2. 2016 – including all Amendments.

2) Special AE tickets (Airport Express) – AE line belongs under the PID system, however a special fare is applied – not valid for other lines in the PID system.



Data on the PID company's fleet

as of 31. 12. 2017

			Actual inventory (accounting) state	Actual operating (record-keeping) state *	Put out of operation **	Average service life from the operating state
M		81-71M	465	465	0	11,15
		M1	265	265	0	14,45
In total Metro			730	730	0	12,35
T	Solo	T3 R.P	349	348	1	12,65
		T3 R.PLF low-floor	34	34	0	8,06
		T3 M	24	23	1	22,87
		T3 SU	19	17	2	30,35
		T6A5	102	82	20	21,26
		KT8N2 low-floor	48	48	0	7,75
	Articu- lated	14 T low-floor	57	57	0	9,37
		15 T low-floor	221	221	0	3,05
		In total Solo	528	504	24	14,79
	In total Articulated		326	326	0	4,85
	In total Trams		854	830	24	10,88

B	Midi	Ikarus E91 low-floor	4	4	0	12,96
		Solaris U BN 8,9LE low-floor	40	40	0	3,74
		SOR BN 8,5 low-floor	21	21	0	6,68
	Standard	B 931	21	17	4	17,54
		B 951	131	131	0	13,35
		Citybus + Citelis low-floor	241	224	17	15,73
		Crossway low-floor	9	9	0	6,01
		SOR NB 12, BN 12, NS 12 low-floor.	239	241	0	5,58
	Articulated	MB CapaCity L low-floor	0	1	0	2,18
		B 941	63	59	4	18,41
		B 961	30	29	1	14,99
		SOR NB 18 low-floor	350	352	0	5,01
		City articulated low-floor	45	41	4	14,10
	In total Midi		65	65	0	5,26
	In total Standard		641	622	21	11,21
	In total Articulated		488	482	9	8,02
In total Buses			1 194	1 169	30	9,56

* Two SOR NB18 buses are included, one MB CapaCity L, one SOR NS 12 and one SOR EBN11 buses, which are under lease, are not included to the record-keeping state.

** Put out of operation due to modernization, reconstruction and liquidation; new and modernized vehicles not commissioned yet.

Note: historic vehicles and one touring bus, which is not intended for operation within the public mass transport, are not included into the overview. As opposed to the record-keeping state the **inventory accounting state** includes vehicles: under reconstruction, under modernization, intended for liquidation, at higher stage of repairs, for sale etc.

The **record-keeping operating state** includes vehicles approved for operation within PID with passengers, including vehicles under usual repairs.

Personnel indicators

Number of employees
(record-keeping state as of 31. 12. 2017)

Category			
Public city transport drivers			4 258
Out of it:	M engine-drivers		640
	T drivers		1 413
	B drivers		2 205
Workmen			3 157
POP			432
Technical-economic employees (TH)			3 147
Out of it:	TH employees as per item 2.5.1 a) KS		1 005
	TH employees as per item 2.5.1 b) KS		2 142
In total			10 994

Wage costs, including OON in thousands CZK, and average wage
in CZK for 2017

Category	Wage costs, including OON in thousands CZK	Average wage in CZK
Public city transport drivers	2 040 475	37 719
Workmen	1 189 643	30 674
POP	157 691	28 912
Technical-economic workers (TH)	1 616 446	42 182
In total	5 004 255	36 608

Number of employees by professions for the year 2017
(average converted state)

Category			
Public city transport drivers			4 247
Out of it:	M engine-drivers		634
	T drivers		1 414
	B drivers		2 199
Workmen			3 160
POP			431
Technical-economic employees (TH)			3 114
Out of it:	TH employees as per item 2.5.1 a) KS		996
	TH employees as per item 2.5.1 b) KS		2 118
In total			10 952

The average record-keeping number of employees converted is the conversion of average record-keeping number of employees in physical persons according to duration of their workload for working hours (full) determined by the employer.

Structure by education according to recorded state
as of 31. 12. 2017

Education	In total	%
Academic	638	5,80
Secondary with school-leaving examination	4 622	42,04
Secondary without school-leaving examination	4 817	43,82
Primary	917	8,34
In total	10 994	100,00

Economic indicators

Share of individual types of costs in the PID ´s total costs (in thousands CZK)

		%
Direct costs (including costs of transport routes)	12 795 539	81,05
Operating overhead costs	647 917	4,10
Costs of services	612 850	3,89
Costs of coordination and management	1 043 917	6,61
Other costs (museum, central dispatching management, dispatching system...)	686 172	4,35
In total PID ´s costs	15 786 395	100,00

Structure of direct PID ´s costs without transport routes (in thousands CZK)

		%
Repairs of PID ´s vehicles	2 844 107	31,12
Consumption of fuel, materials and traction energy	1 188 454	13,00
Personnel expenses for PID ´s drivers	3 357 627	36,74
Depreciations of PID ´s vehicles	1 544 020	16,89
Other direct costs for PID operation	205 422	2,25
In total PID ´s direct costs (for transport operation)	9 139 630	100,00

Share of PID ´s operating costs and costs of transport routes in the total PID ´s costs (in thousands CZK)

		%
PID ´s operating costs	12 130 486	76,84
Costs of transport routes	3 655 909	23,16
Total PID ´s COSTS	15 786 395	100,00

Revenues from transit

Revenues from fare in framework of the PID´s system for 2017 (in thousands CZK)

		%
Territory of the Capital City of Prague (P+0 zone):		
- Revenues from time-limited transit tickets including fixed payments, employees´ tickets and duplicates	2 279 590	56,54
- Revenues from individual fare, including USV machines	1 752 159	43,46
In total in the territory of the Capital City of Prague (P+0 zone)	4 031 749	100,00
External zones:		
- Revenues from combined time-limited coupons	250 941	75,24
- Revenues from individual fare, including USV machines	82 583	24,76
In total external zones	333 524	100,00
In total revenues from fare in framework of PID system for 2017	2 085 683	
Out of it	- Revenues of DPP	3 740 998
	- Revenues of other transporters	624 275
In total revenues from fare in framework of PID system for 2017	4 365 273	
Revenues from surcharges to fare *	291 663	
In total revenues from fare in framework of PID system including surcharges to fare for 2017	4 656 936	

* Specification of surcharges to fare for 2017.

Special-purpose grant

Special-purpose investment grant from the budget of the Capital City of Prague (in thousands CZK)

	Drawn from budget of the Capital City of Prague	Drawn from the national budget	Drawn from the EU Structural funds
Usual grant from the budget of the Capital City of Prague			
I. Operating section of D metro line	51 801	0	0
Barrier-free measures	5 979	0	0
Barrier-free access at the Karlovo náměstí station	807	0	0
TT Sídliště Barrandov – Holyně – Slivenec	7 026	0	0
TT Divoká Šárka – Dědinská	128	0	0
In total usual grant from the budget of the Capital City of Prague	65 741	0	0
In total special-purpose investment grant	65 741	0	0



Overview of types of transit documents as of 31. 12. 2017

Time-limited coupons to the pre-paid tickets valid in the territory of the Capital City of Prague with a selectable start of validity

Type of transit document		Price of transit ticket in CZK
Civil time-limited coupons - economy:		
	- Monthly	550,-
	- Quarterly	1 480,-
	- 150-day	2 450,-
	- One-year (from 1. 7. 2015)	3 650,-
Time-limited coupons - economy:		
For juniors from 15 to 19 years	- Monthly	260,-
	- Quarterly	720,-
	- 150-day	1 200,-
	- 300-day	2 400,-
For pupils and students from 19 to 26 years	- Monthly	260,-
	- Quarterly	720,-
	- 150-day	1 200,-
	- 300-day	2 400,-
For seniors from 60 to 70 years, for citizens in financial distress *	- Monthly	250,-
	- Quarterly	660,-
	- 150-day	1 100,-

Time-limited coupons to the personal card valid in the territory of the Capital City of Prague with a selectable start of validity

Type of transit document		Price of transit ticket in CZK
Civil time-limited coupons - economy:		
	- Monthly	550,-
	- Quarterly	1 480,-
	- 5-month	2 450,-
	- One-year (from 1. 7. 2015)	3 650,-
Time-limited coupons - economy:		
For juniors from 15 to 19 years	- Monthly	260,-
	- Quarterly	720,-
	- 5-month	1 200,-
	- 10-month	2 400,-
For pupils and students from 19 to 26 years	- Monthly	260,-
	- Quarterly	720,-
	- 5-month	1 200,-
	- 10-month	2 400,-
For seniors from 60 to 70 years and citizens in financial distress *	- Monthly	250,-
	- Quarterly	660,-
	- 5-month	1 100,-

* For seniors from 65 to 70 years, who hold a Document proving the right for special fare prices (price of electronic document of CZK 120 and price of paper document of CZK 20) apply to fare price for trips through Prague (P, O and B) of CZK 0.

Time-limited coupons to the non-personal card valid in the territory of the Capital City of Prague with a selectable start of validity

Type of transit document	Price of transit ticket in CZK
Time-limited transferable coupons with a selectable start of validity:	
- Monthly	670,-
- Quarterly	1 880,-
- One-year	6 100,-

Time-limited transferable coupons valid in the territory of the Capital City of Prague with a selectable start of validity

Type of transit document	Price of transit ticket in CZK
Time-limited transferable coupons with a selectable start of validity:	
- 30-day	670,-
- 90-day	1 880,-
- 365-day	6 100,-

Employees fare

Type of transit document	Price of transit ticket in CZK
- One-year for employees	50,-
- One-year for employees 'family members	200,-
- One-year for pensioners	50,-
- One-year for pensioners 'family members	200,-
- Coupon „PHA train“	2130,-

Transit tickets for a single trip in the territory of the Capital City of Prague (P+0+B)

Type of transit document	Price of transit ticket in CZK
Transfer full-price tickets:	
- 30-minute	24,-
- 90-minute	32,-
- In case of purchase from bus driver – 90-minute	40,-
Transfer economy tickets:	
- 30-minute	12,-
- 90-minute	16,-
- In case of purchase from bus driver – 90-minute	20,-
Pre-paid time-limited short-time transit tickets for the public city transport (P+0+B):	
- 24-hour full-price	110,-
- 24-hour for children from 6 to 15 years and holders of PID card for seniors	55,-
- 3-day full-price	310,-
* Pre-paid time-limited short-time tickets for all zones:	
- 24-hour full-price	160,-
- 24-hour for children from 6 to 15 years	80,-

* for the public city transport 70% share

Special AE transit tickets (Airport Express)

Type of transit document	Price of transit ticket in CZK
Full-price non-transfer	
- Hlavní nádraží – Václav Havel Airport Prague	60,-
Economy non-transfer for children from 6 to 15 years	
- Hlavní nádraží – Václav Havel Airport Prague	30,-



Combined time-limited coupons BUS+TRAIN to the pre-paid transit ticket valid within PID external zones for a fixed calendar period or to a personal card with a selectable start of validity

Type of transit document	Price of transit ticket in CZK
Coupons for one external zone:	
- Monthly civil – economy	300,-
- Quarterly civil – economy	760,-
- Monthly economy for children from 6 to 15 years	150,-
- Quarterly economy for children from 6 to 15 years	380,-
Coupons for two zones:	
- Monthly civil – economy	460,-
- Quarterly civil – economy	1 200,-
- Monthly economy for children from 6 to 15 years	230,-
- Quarterly economy for children from 6 to 15 years	600,-

Coupons for three zones:	
- Monthly civil – economy	700,-
- Quarterly civil – economy	1 800,-
- Monthly economy for children from 6 to 15 years	350,-
- Quarterly economy for children from 6 to 15 years	900,-
Coupons for four zones:	
- Monthly civil – economy	920,-
- Quarterly civil – economy	2 400,-
- Monthly economy for children from 6 to 15 years	455,-
- Quarterly economy for children from 6 to 15 years	1 190,-
Coupons for five zones:	
- Monthly civil – economy	1 130,-
- Quarterly civil – economy	3 000,-
- Monthly economy for children from 6 to 15 years	565,-
- Quarterly economy for children from 6 to 15 years	1 500,-
Coupons for six zones:	
- Monthly civil – economy	1 350,-
- Quarterly civil – economy	3 600,-
- Monthly economy for children from 6 to 15 years	675,-
- Quarterly economy for children from 6 to 15 years	1 795,-
Coupons for seven zones:	
- Monthly civil – economy	1 560,-
- Quarterly civil – economy	4 200,-
- Monthly economy for children from 6 to 15 years	780,-
- Quarterly economy for children from 6 to 15 years	2 100,-
Coupons for eight zones:	
- Monthly civil – economy	1 780,-
- Quarterly civil – economy	4 800,-
- Monthly economy for children from 6 to 15 years	890,-
- Quarterly economy for children from 6 to 15 years	2 400,-



Combined time-limited coupons BUS+TRAIN to the pre-paid transit ticket valid within PID external zones with a selectable start of validity

Type of transit document	Price of transit ticket in CZK
Coupons for one external zone:	
- 30-day civil – economy	300,-
- 90-day civil – economy	760,-
- 30-day economy for children from 6 to 15 years	150,-
- 90-day economy for children from 6 to 15 years	380,-
Coupons for two zones:	
- 30-day civil – economy	460,-
- 90-day civil – economy	1 200,-
- 30-day economy for children from 6 to 15 years	230,-
- 90-day economy for children from 6 to 15 years	600,-

Coupons for three zones:	
- 30-day civil – economy	700,-
- 90-day civil – economy	1 800,-
- 30-day economy for children from 6 to 15 years	350,-
- 90-day economy for children from 6 to 15 years	900,-
Coupons for four zones:	
- 30-day civil – economy	920,-
- 90-day civil – economy	2 400,-
- 30-day economy for children from 6 to 15 years	455,-
- 90-day economy for children from 6 to 15 years	1 190,-
Coupons for five zones:	
- 30-day civil – economy	1 130,-
- 90-day civil – economy	3 000,-
- 30-day economy for children from 6 to 15 years	565,-
- 90-day economy for children from 6 to 15 years	1 500,-
Coupons for six zones:	
- 30-day civil – economy	1 350,-
- 90-day civil – economy	3 600,-
- 30-day economy for children from 6 to 15 years	675,-
- 90-day economy for children from 6 to 15 years	1 795,-
Coupons for seven zones:	
- 30-day civil – economy	1 560,-
- 90-day civil – economy	4 200,-
- 30-day economy for children from 6 to 15 years	780,-
- 90-day economy for children from 6 to 15 years	2 100,-
Coupons for eight zones:	
- 30-day civil – economy	1 780,-
- 90-day civil – economy	4 800,-
- 30-day economy for children from 6 to 15 years	890,-
- 90-day economy for children from 6 to 15 years	2 400,-



Combined time-limited coupons BUS+TRAIN to the personal card or to the pre-paid transit ticket valid within PID external zones – special economy

Type of transit document	Price of transit ticket in CZK
Monthly coupons for pupils from 6 to 15 years	
- For one external separate zone	110,-
- For two zones	170,-
- For three zones	260,-
- For four zones	345,-
- For five zones	420,-
- For six zones	500,-
- For seven zones	585,-
- For eight zones	665,-

5-month coupons for pupils from 6 to 15 years	
- For one external separate zone	510,-
- For two zones	795,-
- For three zones	1 195,-
- For four zones	1 590,-
- For five zones	1 970,-
- For six zones	2 360,-
- For seven zones	2 745,-
- For eight zones	3 135,-
Monthly coupons for pupils and students from 15 to 26 years	
- For one external separate zone	225,-
- For two zones	345,-
- For three zones	525,-
- For four zones	690,-
- For five zones	845,-
- For six zones	1 010,-
- For seven zones	1 170,-
- For eight zones	1 335,-
5-month coupons for pupils and students from 15 to 26 years	
- For one external separate zone	1 020,-
- For two zones	1 590,-
- For three zones	2 395,-
- For four zones	3 180,-
- For five zones	3 945,-
- For six zones	4 725,-
- For seven zones	5 490,-
- For eight zones	6 270,-

Transit tickets for a single trip within external zones

Type of transit document	Price of transit ticket in CZK
Basic transfer full-price transit tickets:	
- For two connected zones 15 min	12,-
- For two connected zones 30 min	18,-
- For three connected zones 60 min	24,-
- For four connected zones 90 min	32,-
- For five connected zones 120 min	40,-
- For six connected zones 150 min	46,-
- For seven connected zones 180 min	54,-
- For eight connected zones 210 min	62,-
- For nine connected zones 240 min	68,-
- For ten connected zones 270 min	76,-
- For eleven connected zones 300 min	84,-
Basic transfer economy transit tickets:	
- For two connected zones 15 min	6,-
- For two connected zones 30 min	9,-
- For three connected zones 60 min	12,-
- For four connected zones 90 min	16,-
- For five connected zones 120 min	20,-
- For six connected zones 150 min	23,-
- For seven connected zones 180 min	27,-
- For eight connected zones 210 min	31,-
- For nine connected zones 240 min	34,-
- For ten connected zones 270 min	38,-
- For eleven connected zones 300 min	42,-
* Pre-paid time-limited short-time transit tickets for all zones:	
- 24-hour	160,-
- 24-hour for children from 6 to 15 years	80,-

* For PID external zones 30% share.

Transit tickets for a single trip within external zones – special economy

Type of transit document	Price of transit ticket in CZK
Transfer tickets for pupils from 6 to 15 years:	
- For two connected zones 15 min	4,-
- For two connected zones 30 min	6,-
- For three connected zones 60 min	9,-
- For four connected zones 90 min	12,-
- For five connected zones 120 min	15,-
- For six connected zones 150 min	17,-
- For seven connected zones 180 min	20,-
- For eight connected zones 210 min	23,-
- For nine connected zones 240 min	25,-
Transfer tickets for pupils from 15 to 26 years:	
- For two connected zones 15 min	9,-
- For two connected zones 30 min	13,-
- For three connected zones 60 min	18,-
- For four connected zones 90 min	24,-
- For five connected zones 120 min	30,-
- For six connected zones 150 min	34,-
- For seven connected zones 180 min	40,-
- For eight connected zones 210 min	46,-
- For nine connected zones 240 min	51,-

Prague card

Type of transit document	Price of transit ticket in CZK
- 2-day full price	1 280,-
- 2-day for children and students *	940,-
- 3-day full price	1 540,-
- 3-day for children and students *	1 120,-
- 4-day full price (transit ticket price according to tariff rate)	1 780,-
- 4-day for children and students *	1 300,-

* Children/student card is valid for children from 6 to 16 years and for full-time students up to 26 years.

The Prague card price includes fare in the territory of the Capital City of Prague [P+O+B], on the Airport Express line, ferries, entrance to 50 historic buildings etc.



Development of the tariff rates in the PID network during 5-year period

Pre-paid time-limited tickets – citizens’ economy

(in CZK)

Type of transit document	2012	2013	2014	2015	2016
Civil time-limited economy coupons:					
- 30-day/monthly	550,-	550,-	550,-	550,-	550,-
- 90-day/quarterly	1 480,-	1 480,-	1 480,-	1 480,-	1 480,-
- 150-day/5-month	2 450,-	2 450,-	2 450,-	2 450,-	2 450,-
- 365-day/one-year (from 1. 7. 2015 – CZK 3,650)	4 750,-	4 750,-	4 750,-	3 650,-	3 650,-

Pre-paid time-limited tickets – transferable with a selectable start of validity

(in CZK)

Type of transit document	2012	2013	2014	2015	2016
Transferable time-limited coupons					
- 30-day/monthly	670,-	670,-	670,-	670,-	670,-
- 90-day/quarterly	1 880,-	1 880,-	1 880,-	1 880,-	1 880,-
- 365-day/one-year	6 100,-	6 100,-	6 100,-	6 100,-	6 100,-

Pre-paid time-limited tickets – economy (in CZK)

Type of transit document	2012	2013	2014	2015	2016
For juniors from 15 to 19 years					
- 30-day/monthly	260,-	260,-	260,-	260,-	260,-
- 90-day/quarterly	720,-	720,-	720,-	720,-	720,-
- 150-day/5-month	1 200,-	1 200,-	1 200,-	1 200,-	1 200,-
- 300-day/10-month	2 400,-	2 400,-	2 400,-	2 400,-	2 400,-
For pupils and students from 19 to 26 years					
- 30-day/monthly	260,-	260,-	260,-	260,-	260,-
- 90-day/quarterly	720,-	720,-	720,-	720,-	720,-
- 150-day/5-month	1 200,-	1 200,-	1 200,-	1 200,-	1 200,-
- 300-day/10-month	2 400,-	2 400,-	2 400,-	2 400,-	2 400,-
For seniors from 60 to 70 years and citizens in financial distress					
- 30-day/monthly	* 250,-	* 250,-	* 250,-	* 250,-	* 250,-
- 90-day/quarterly	* 660,-	* 660,-	* 660,-	* 660,-	* 660,-
- 150-day/5-month	* 1 100,-	* 1 100,-	* 1 100,-	* 1 100,-	* 1 100,-

* For seniors from 65 to 70 years, who hold the Document proving the right of special fare price (price of electronic document of CZK 120, price of paper document of CZK 20), applies to fare for trips through Prague (tariff zones P, O and B) of CZK 0.

Poznámky:

For children from 6 to 15 years, who hold the Document proving the right of special fare price (price of electronic document of CZK 120, price of paper document of CZK 20), applies to fare for trips through Prague (tariff zones P, O and B) of CZK 0. Children from 6 to 10 years can prove only a personal card verified by its issuer (legal entity) with name, surname, date of birth and photo.

Accompaniment of children under 3 years of age, if a child holds a special card - Children under 3 years of age or identity card or passport, have been transported for a special price of 0 CZK since 1st July 2015. This does not relate to railways and AE.

Transport of dogs for free – passengers with a valid transit ticket for PID in the territory of Prague (P, O and B zones) or passengers having a right to transport for free in the territory of Prague do not pay a charge for dog. It is valid only with a time-limited coupon in external zones.

The „Half Penalty” measure applies within the testing mode from 23rd October 2017 till 31st March 2018. Passengers who did not have a valid ticket during transit inspection have the option to reduce their penalty from CZK 800 to CZK 400 if they purchase the annual citizen´s coupon in the amount of CZK 3,650 to the PID card, “Lítačka” card or Opencard with their personal data records in database.

Volume of Total Investment Costs and Resources in 2017

Volume of total investment costs (in thousand CZK)

Investment metro construction	
A metro line	10 294
Projects under progress	
Reconstruction of departure platform at the Muzeum A metro station	41 156
Reconstruction of the Jinonice metro station	91 381
Reconstruction of the Opatov metro station	1
Reconstruction of the Skalka metro station	50 161
Modernization of the anti-chemical warning system	723
Projects under preparation	
I. Operating Section of D metro line	51 801
Extension of the A metro line to the Václav Havel Airport – study	380
Extension of the C metro line to Letňany and Čakovice - study	480
In total metro investment construction	246 377
Other investment projects	
Replacement of escalators	254 000
Tram tracks construction	22 765
Tram tracks reconstruction	375 179
Cable routes reconstruction	16 922

Construction and reconstruction of substations	6 395
Carriage sheds and central workshops	34 298
Garages and stand-by areas	7 176
Metro security system	277 167
In total other investment projects	993 902
Renovation of the company's fleet	
Trams	
Technical improvement of trams (KT8DB)	33 960
Technical improvement of trams (T3)	17 803
Purchase of new trams	1 859 922
Purchase of new trams – repayment within the Bill Programme	800 000
Buses	
Purchase of new buses	478 552
Other company's fleet	58 178
In total renovation of the company's fleet	3 248 415
Other investments into technical background	414 282
Total volume of investment costs	4 902 976

Volume of Total Investment Resources (in thousand CZK)

	Investment resources in total
In total own investment resources	
Depreciations	3 230 839
Compensation (appropriate profit)	1 551 010
Other resources	
Bill programme / disposable funds	0
Grants from the budget of the Capital City of Prague	65 741
Compensation from 2012	55 386
Total volume of investment resources	4 902 976



Report on Relations

On 5th March 2018
The Prague Public Transit Co., Inc.

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Introductory provisions

The Board of Directors of the Prague Public Transit Co, Inc., ID No. 000 05 886, with the registered office in Sokolovská 217/42, Prague 9, Postal Code: 190 22, incorporated in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 847, as the controlled entity, prepared pursuant to Section 82 of the Act on Trade Corporations (hereinafter only “ZOK” the following report on relations between the Prague Public Transit Co. Inc. and the controlling entity and between the Prague Public Transit Co. Inc. and entities controlled by the same controlling entity (hereinafter also the “interconnected entities”) for the past accounting period from 1. 1. 2017 till 31. 12. 2017 (hereinafter only the “decisive period”).

This report for the decisive period will be attached to the Annual report in compliance with the legal regulations regulating accountancy. The sole shareholder of the controlled entity will have the option to become acquainted with this report within the same time limit and under the same conditions as for the Financial Statement.

1. Structure of relations between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity. The task of the controlled entity within the structure of these relations, manner and means of control

1.1. Structure of relations

1.1.1. Structure of relations between interconnected entities is branched and multi-level and is derived from the controlling entity (legal entity), which is the Capital City of Prague, ID No. 000 64 581 (hereinafter only the “controlling entity”). The controlling entity controls in the grouping of controlled entities (trade corporations) directly fifteen trading companies. Two of these companies, namely Pražská strojírna a.s., ID No. 601 93 298, with the registered office in Prague 9 – Vinoř, Mladoboleslavská 113, Post Code: 190 17, and Střední průmyslová škola dopravní, a.s., ID No. 256 32 141, with the registered office in Prague 5, Plzeňská 298/217a, Postal Code: 150 00, are controlled by the controlling entity within powers of their General Assemblies.

1.1.2. The basic structure of relations in grouping is displayed on the chart that forms an integral part as an annex to this report. Structure of particular relations in grouping, of which participant was the Prague Public Transit Co., Inc. during the decisive period, and position of individual participants in this structure results apart from the above mentioned facts also from division of interconnected entities as contracting parties in the overview of mutual contracts as specified in this report.

1.2. According to data available to the controlled entity the controlling entity controls these other **directly controlled entities**:

a) Kolektory Praha, a.s. with the registered office in Prague 9, Pešlova 341/3, Postal Code: 190 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 7813, ID No.: 26714124 (100% share)

b) Kongresové centrum Praha, a.s., with the registered office in Prague 4 - Nusle, 5.května 65, Postal Code: 140 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 3275, ID No.: 63080249 (45.652% share)

c) Obecní dům, a.s., with the registered office in Prague 1 – Staré Město, nám. Republiky 1090/5, Postal Code: 110 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 9990, ID No.: 27251918 (100% share)

d) Pražská energetika Holding a.s. with the registered office in Prague 10, Na Hroudě 1492, Postal Code 100 05, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 7020, ID No.: 26428059 (51% share)

e) Pražská plynárenská Holding a.s., with the registered office in Prague 4, U Plynárny 500/44, Postal Code: 140 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 7151, ID No. 26442272 (100% share)

f) Pražská teplárenská Holding a.s., with the registered office in Prague 7, Partyzánská 1, Postal Code: 170 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 6889, ID No. 26416808 (51% share)

Note: sale of 51% of shares in the Pražská teplárenská Holding a.s. in ownership of the Capital City of Prague to the PT-holding Investment B.V company according to the resolution made by the municipality of the Capital City of Prague No. 31/21 of 30.11. 2017 as of 13.12. 2017.

g) Pražská vodohospodářská společnost a.s., with the registered office in Prague 1 – Staré Město, Žatecká 110/2, Postal Code: 110 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 5290, ID No. 25656112 (100% share)

- h) Pražské služby, a.s. with the registered office in Prague 9, Pod Šancemi 444/1, Postal Code: 190 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 2432, ID No. 60194120 (96.24% share)
- i) TRADE CENTRE PRAHA a.s. with the registered office in Prague 2, Blanická 1008/28, Postal Code: 120 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 43, ID No. 00409316 (100% share)
- j) Úpravná vody Želivka, a.s., with the registered office in Prague 10, K Horkám 16/23, Postal Code: 102 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 7437, ID No. 26496224 (90.0353% share)
- k) Zdroj pitné vody Káraný, a.s., with the registered office in Prague 1, Žatecká 110/2, Postal Code: 110 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 7438, ID No. 26496402 (97.25% share)
- l) Operátor ICT, a.s. with the registered office in Prague 7 - Holešovice, Dělnická 213/12, Postal Code: 170 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 19676, ID No. 02795281 (100% share),
- m) Technická správa komunikací hl. m. Prahy, a.s. with the registered office in Řásnovka 770/8, Old City, Prague 1 – Staré Město, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20059, ID No. 03447286 (100% share)
- n) Výstaviště Praha, a.s. with the registered office in Výstaviště 67, Bubeneč – Prague 7, 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, ID No. 256 49 329 (100% share)
- o) TCP – Vinohrady, a.s. (note: as of 30.1. 2018, the trading company was transformed to Technologie Hlavního města Prahy, a.s.), with the registered office in Blanická 1008/28, Prague 2, 120 00, recorded in the Companies Register, file No. B 5402, maintained at the Municipal Court in Prague, ID No. 256 72 541 (100% share).

1.3. The controlling entity controls indirectly according to data available to the controlled entity **these other entities and their subsidiary companies**

Companies with investment share of the trading company the Prague Public Transit Co. Inc. (in Czech: Dopravní podnik hl. m. Prahy, akciová společnost)

- a) Pražská strojírna, a.s., with the registered office in Prague 9 - Vinoř, Mladoboleslavská 133, Postal Code: 190 17, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 2318, ID No. 60193298 (100% share)
- b) Střední průmyslová škola dopravní, a.s., with the registered office in Prague 5, Plzeňská 298/217a, Postal Code: 150 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 5097, ID No. 25632141 (100% share)
- c) RENCAR PRAHA, a.s., with the registered office in Prague 8, Rohanské nábřeží 678/25, Prague 8 - Karlín, Postal Code: 186 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 86, ID No. 00506397 (28% share)

Companies with investment share of the trading company Pražská energetika Holding, a.s.

- a) Pražská energetika, a.s. with the registered office in Prague 10, Na Hroudě 1492/4, Postal Code: 100 05, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 2405, ID No. 60193913 (58.046% share)

Companies with investment share of the trading company Pražská energetika, a.s.

- a) PREdistribuce, a.s. with the registered office in Prague 5, Svornosti 3199/19a, Postal Code: 150 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 10158, ID No. 27376516 (100% share)
- b) eYello CZ, k.s. with the registered office in Prague 10 – Vršovice, Kubánské nám. 1391/11, Postal Code: 100 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section A, Insert No. 76596, ID No. 25054040 (90% share)
- c) PREměření, a.s., with the registered office in Prague 10, Na Hroudě 2149/19, Postal Code: 100 05, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 5433, ID No. 25677063 (100% share)

- d) KORMAK Praha a.s. with the registered office in Prague 10 - Uhříněves, K Sokolovně 667, Postal Code: 104 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 20181, ID No. 48592307 (100% share)
- e) KORMAK nemovitosti s.r.o. with the registered office in Prague 10 - Uhříněves, K Sokolovně 667/9, Postal Code: 104 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section C, Insert No. 215222, ID No. 02065801 (100% share)
- f) PREzákaznická, a.s. with the registered office in Prague 10 - Vršovice, Na hroudě 1492/4, Postal Code: 100 00, recorded in the Companies Register, file No. B 22870, maintained by the Municipal Court in Prague, ID No. 065 32 438 (100% share).

Companies with investment share of the trading company Pražská plynárenská Holding a.s.

- a) Pražská plynárenská, a.s. with the registered office in Prague 1 – Nové Město, Národní 37, Postal Code: 110 00, recorded in the Companies Register maintained by the Municipal Court in Prague, Section B, Insert No. 2337, ID No. 60193492 (100% share)

Companies with investment share of the trading company Pražská plynárenská, a.s.

- a) Pražská plynárenská Distribuce, a.s., a member of the Pražská plynárenská, a.s. group, with the registered office in Prague 4, U Plynárny 500, Postal Code: 145 08, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 10356, ID No. 27403505 (100% share)
- b) Pražská plynárenská Servis distribuce, a.s., a member of the Pražská plynárenská a.s. group, with the registered office in Prague 4, U Plynárny 1450/2a, Postal Code: 140 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 1878, ID No. 47116471 (100% share)
- c) Prometheus, energetické služby, a.s., a member of the Pražská plynárenská, a.s. group, with the registered office in Prague 4, U Plynárny 500, Postal Code: 140 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 17568, ID No. 63072599 (100% share)
- d) Pražská plynárenská Správa majetku, a.s., a member of the Pražská plynárenská, a.s. group, with the registered office in Prague 4 - Michle, U Plynárny 500, Postal Code: 145 08, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 17753, ID No. 27436551 (100% share)
- e) Informační služby – energetika, a.s., with the registered office in Prague 4, U Plynárny 500, Postal Code: 141 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 7946, ID No. 26420830 (100% share)

Companies with investment share of the trading company Pražská teplárenská Holding a.s.

- a) Pražská teplárenská, a.s. with the registered office in Prague 7, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 1509, ID No. 45273600 (47.42% share)
- b) PT měření a.s., with the registered office in Střelničná 2221/50, Prague 8, Postal Code: 182 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20555, ID No.: 04002385 (47.42% share)
- c) PT Real Estate a.s., with the registered office in Partyzánská 1/7, Prague 7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 21696, ID No.: 05197155 (47.42% share)

Companies with investment share of the trading company Pražská teplárenská, a.s.

- a) TERMONTA PRAHA, a.s., with the registered office in Prague 10, Třebohostická 46/11, Postal Code: 110 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 1846, ID No. 47116234 (100% share)
- b) Teplo Neratovice, spol. s.r.o., with the registered office in Neratovice, Školní 162, Postal Code: 277 11, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section C, Insert No. 34074, ID No. 49827316 (100% share)

- c) Areál Třeboradice, a.s., with the registered office in Prague 4, Duhová 1444/2, Postal Code: 140 00, recorded at the Companies Register, maintained at the Municipal Court in Prague, Section B, Insert No. 18724, ID No.: 29132282 (5% share)
- d) Energotrans SERVIS a.s., with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 19399, ID No.: 29352797 (95% share)
- e) Pražská teplárenská Trading a.s., with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 19886, ID No.: 03261816 (100% share)

Companies with investment share of the trading company PT Real Estate, a.s.

- a) RPC, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20291, ID No.: 03669475 (100% share)
- b) Nová Invalidovna, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20290, ID No.: 03658767 (100% share)
- c) Nový Veleslavín, a.s. with the registered office in Prague 6 - Veleslavín, Na okraji 335/43, Postal Code:162 00, recorded in the Companies Register, file No. B 20282, maintained at the Municipal Court in Prague, ID No.: 03655636 (100% share)
- d) Nové Modřany, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20289, ID No.: 03658082 (100% share)
- e) Michelský trojúhelník, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20283, ID No.: 03634051 (100% share)
- f) Pod Juliskou, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20281, ID No.: 03668231 (100% share)
- g) PT Properties I, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20287, ID No.: 03653901 (100% share)
- h) PT Properties II, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20285, ID No.: 03623475 (100% share)
- i) PT Properties III, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20288, ID No.: 03634329 (100% share)
- j) PT Properties IV, a.s. with the registered office in Prague 7 - Holešovice, Partyzánská 1/7, Postal Code: 170 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section B, Insert No. 20286, ID No.: 03640787 (100% share)

Companies with investment share of the trading company Pražské služby, a.s.

- a) AKROP s.r.o., with the registered office in Tuchoměřice, Ke Špejcharu 392, Postal Code: 252 67, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section C, Insert No. 81758, ID No. 26432331 (100% share)
- b) Pražský EKOservis, s.r.o. with the registered office in Prague – Nové Město, Revoluční 1082/8, Postal Code: 110 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section C, Insert No. 229808, ID No.: 03298973 (100% share)
- c) EVOK o.p.s. with the registered office in Vlkova 430/35, Prague 3 - Žižkov, Postal Code: 130 00, recorded in the Companies Register maintained at the Municipal Court in Prague, Section O, Insert No. 1319, ID No.: 02412390 (100% share)

Company with investment share of the trading company Úpravna vody Želivka, a.s.

- a) Želivská provozní a.s., with the registered office in Prague 10 – Hostivař, K Horkám 16/23, Postal Code: 102 00, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 19766, ID No. 29131804 (100% share)

Company with the investment share of the trading company Zdroj pitné vody Káraný, a.s.

- a) Vodárna Káraný, a.s., with the registered office in Žatecká 110/2, Prague 1 – Staré Město, Postal Code: 110 00, Prague 1, recorded in the Companies Register, maintained by the Municipal Court in Prague, Section B, Insert No. 18857, ID No. 29148995 (100% share)

2. Manner and means of control

- 2.1.** The controlling entity exercised direct control of companies mentioned above in para 1.1. during the decisive period through exercise of its shareholder´s rights (rights of a partner). Control of other controlled corporations is exercised solely through companies that control them and they are controlled by the Capital City of Prague, this means exclusively indirectly.
- 2.2.** From view of the Prague Public Transit Co., Inc. it is directly controlled by the Capital City of Prague.

3. Role of the Prague Public Transit Co., Inc. in the structure of controlling relations in the grouping and in trade relations with interconnected entities

The Prague Public Transit Co., Inc. has no function role, nor as a control element nor supplier in framework of business operations, according to its scope of business activities in relation to other controlled companies.

4. 4. Acts performed during the last accounting period on the stimulus or for the benefit of the controlling entity or entities controlled by the controlling entity

- 4.1.** The Controlled entity did not make any acts during the last accounting period, which would be made on stimulus or for the benefit of the controlling entity or entities controlled by the controlling entity and which would related to property, which exceeds 10% of own capital of the controlled entity according to the last Financial Statement.
- 4.2.** At the course of the accounting year 2017, contracts as specified in the Annex No. 1 were concluded between the controlled entity and the controlling entity. These contracts were concluded under conditions usual in trade relationship and performances and counter-performances correspond with the conditions of usual trade relationship with taking the character of business activity of the controlled entity into consideration, so with fulfilment of these contracts no detriment was caused to the controlled entity.
- 4.3.** No other legal acts for the benefit of the controlling entity were made between the controlled entity and the controlling entity.
- 4.4.** No measures were adopted for the benefit of the controlling entity.
- 4.5.** No measures were taken for the benefit of the controlling entity.
- 4.6.** No measures were adopted on the stimulus of the controlling entity.
- 4.7.** No measures were taken on the stimulus of the controlling entity.
- 4.8.** At the course of the accounting year 2017, contracts as specified in the Annex No. 2 were concluded between the controlled entity and other entities controlled directly by the controlling entity. These contracts were concluded under conditions usual in trade relationship and performances and counter-performances correspond with conditions of usual trade relationship, so with fulfilment of these contracts no detriment can be caused to the controlled entity.
- 4.9.** No other legal acts for the benefit of other entities controlled directly by the controlling entity were made between the controlled entity and other entities controlled by the controlling entity.
- 4.10.** No measures were adopted for the benefit of other entities controlled directly by the controlling entity.

- 4.11. No measures were taken for the benefit of other entities controlled directly by the controlling entity.
- 4.12. No measures were adopted on the stimulus of other entities controlled directly by the controlling entity.
- 4.13. No measures were taken on the stimulus of other entities controlled directly by the controlling entity.

Information on relation to other entities indirectly controlled by the controlling entity

- 4.14. At the course of the accounting year 2017, contracts as specified in the Annex No. 3 were concluded between the controlled entity and other entities indirectly controlled by the controlling entity. These contracts were concluded under conditions usual in trade relationship and performances and counter-performances correspond with conditions of usual trade relationship, so with fulfilment of these contracts no detriment can caused to the controlled entity.
- 4.15. No other legal acts for the benefit of other entities controlled indirectly by the controlling entity were made between the controlled entity and other entities controlled indirectly by the controlling entity.
- 4.16. No measures were adopted for the benefit of other entities controlled indirectly by the controlling entity.
- 4.17. No measures were taken for the benefit of other entities controlled indirectly by the controlling entity.
- 4.18. No measures were adopted on the stimulus of other entities controlled indirectly by the controlling entity.
- 4.19. No measures were taken on the stimulus of other entities controlled indirectly by the controlling entity.

5. Review and evaluation

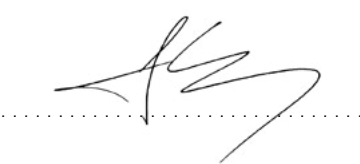
The Board of Directors of the controlled entity states that no predominant benefits or disadvantages or other risks can be derived from relations between the entities mentioned. All contractual relations were concluded between them in compliance with the generally binding legal regulations and under conditions usual in trade relationship between traders.

It results from the above mentioned that no detriment on property was caused to the controlled entity due to influence of the controlling entity during the accounting period of 2017.

For the trading company Prague Public Transit Co., Inc.:

Mgr. Martin Gillar

Chairman of the Board of Directors



PhDr. Jiří Špička

Member of the Board of Directors



Annex No. 1

Overview of contracts concluded between the controlled entity and the controlling entity

Controlling entity	Controlled entity	Contracts concluded in total
The Capital City of Prague	Prague Public Transit Co., Inc.	143



Characteristics of contracts and their number:

- Amendments to the Contract on the commitment of public service at the public line transport in the PID system for the period 2010–2019 – 16,
- Amendments to the Contract on the public services at the public railway transport and the city bus transport in the PID system for the period 2010–2019 – 6,
- Contract for the subscription of shares – 1,
- Contract for the project funding – 14,
- Contracts for the establishment of easement, contracts for the future contract on establishment of easement, loan Contracts, contracts for the future contract on establishment of servitude – 50,
- Amendments to the contracts for the establishment of easement, amendments to the contracts for the future contract on establishment of easement, amendments to loan contracts, amendments to contracts for the future contract on establishment of servitude – 7,
- Agreement on realization of construction – 2,
- Lease contract – 20,
- Amendment to the lease contract – 6,
- Agreement on assignment of a contract – 12,
- Agreement on beneficiary – 2,
- Affirmative statement – 1,
- Contract on provision of electric energy supplies for non-advertising accessories – 1,
- Amendment to the contract on provision of electric energy supplies for non-advertising accessories – 1,
- Contract for the provision of services – 1,
- Amendment to the contract for the provision of media – 1,
- Initial framework agreement – 1,
- Memorandum 1.

Annex No. 2

Contracts concluded with entities controlled DIRECTLY by the controlling entity in 2017

Trading company	Number	Characteristics of contracts
Pražská vodohospodářská společnost, a.s.	1	Agreement on compensation – 1
Operátor ICT, a.s.	7	Amendment to the General contract on the provision of services for issuing of the "Lítačka" cards – 2, Contract on confidentiality of information – 1, Confidentiality Agreement – 1, Memorandum on cooperation – 1, Contract on mutual cooperation – 1, Contract on cooperation – 1
Pražské služby, a.s.	2	Agreement on progress – 1, Amendment to the General contract for work – 1
Kolektory Praha, a.s.	1	Memorandum on cooperation – 1
Technická správa komunikací hl. m. Prahy, a.s.	15	Agreement on assignment of a contract – 13, Lease Contract – 1, Amendment to the Contract on provision of services – 1
Výstaviště Praha, a.s.	2	Loan contract – 1, Amendment to the loan contract – 1

Annex No. 3

Contracts concluded with entities controlled INDIRECTLY by the controlling entity in 2017

Trading company	Number	Characteristics of contracts
Střední průmyslová škola dopravní, a.s.	3	Amendment to the Contract on the teaching and training to get the B+C and RB/C driving licences – 1, Amendment to the Contract for professional training of pupils – 1, Amendment to the Contract on condition of ensuring of professional educating courses and line management – 1
Pražská strojírna, a.s.	2	Contract for the provision of IT services – 1, General Purchase Contract – 1
Pražská plynárenská Distribuce, a.s.	6	Contract on connection – 1, Contract on the future contract for establishment of easement – 2, Contract for establishment of easement – 1, Affirmative statement – 1, Agreement on payment of costs – 1
Pražská energetika, a.s.	195	Memorandum on cooperation – 1, Contracts and amendments on composite services of electricity supplies to customers – 194
PREdistribuce, a.s.	33	Contract on short-term connection – 2, Contract for the future contract on establishment of easement – 9, Contract on establishment of easement – 14, Contract on manipulation, service and works on electric equipment – 4, Lease contract – 3, Agreement on procedure to determine a price of real estate – 1, Amendment to the Lease contract – 1
KORMAK Praha a.s.	5	Lease contract – 5
Pražská teplárenská a.s.	16	Affirmative statement – 2, Contract for the future contract on establishment of easement – 1, Contract on establishment of easement – 2, Contract on heat energy supplies – 9, Lease contract – 1, Contract on location and operation of distribution heat-generating equipment on real estate of others – 1
TERMONTA PRAHA a.s.	2	Lease contract – 2
RPC, a.s.	1	Purchase contract and contract on establishment of servitude – 1



Chart

Controlling entity – Capital City of Prague

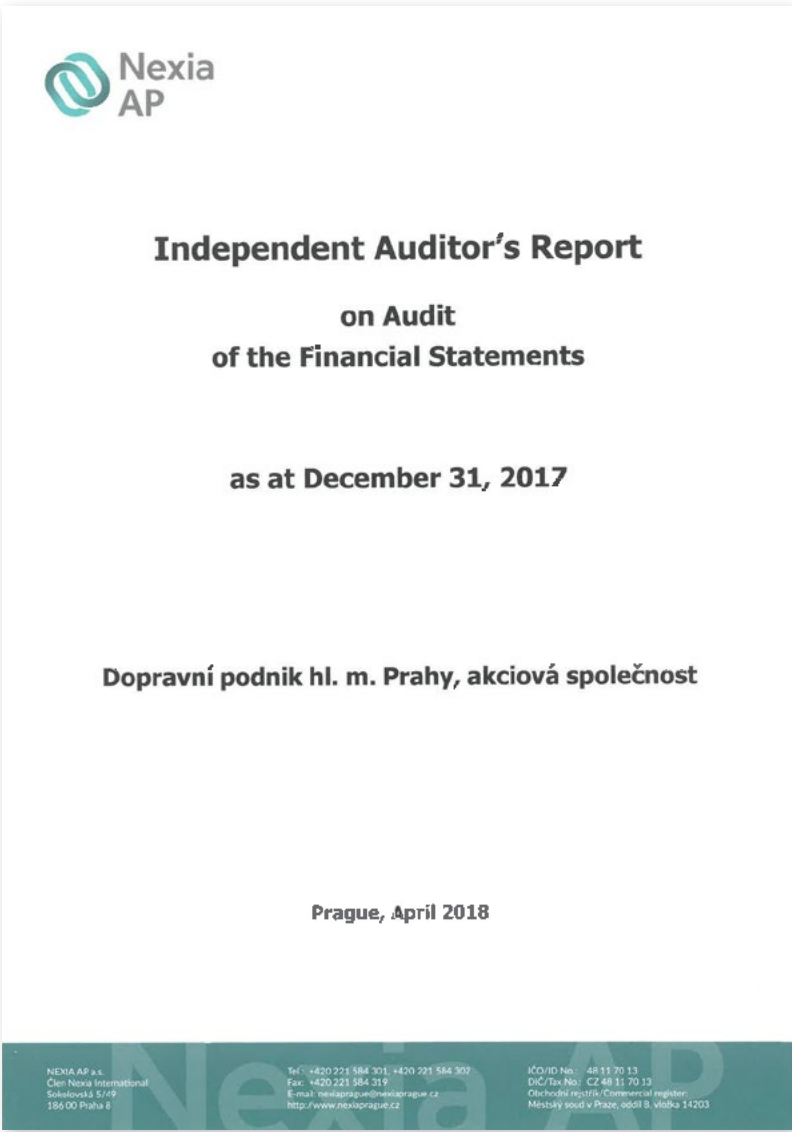
Directly controlled entities	ID No.	Indirectly controlled entities	ID No.	Indirectly controlled entities	ID No.
Dopravní podnik hl. m. Prahy, akciová společnost	000 05 886				
		Pražská strojírna a. s.	601 93 298		
		RENCAR PRAHA, a. s.	005 06 397		
		Střední průmyslová škola dopravní, a.s.	256 32 141		
Kolektory Praha, a.s.	267 14 124				
Kongresové centrum Praha, a.s.	630 80 249				
Obecní dům, a.s.	272 51 918				
Operátor ICT, a.s.	027 95 281				
Pražská energetika Holding a.s.	264 28 059				
		Pražská energetika, a.s.	601 93 913		
				PREdistribuce, a.s.	273 76 516
				eYello CZ, k.s.	250 54 040
				PREměření, a.s.	256 77 063
				KORMAK Praha a.s.	485 92 307
				KORMAK nemovitosti s.r.o.	020 65 801
				PREzákaznická, a.s.	065 32 438
Pražská plynárenská Holding a.s.	264 42 272				
		Pražská plynárenská, a.s.	601 93 492		
				Pražská plynárenská Distribuce a.s.	274 03 505
				Pražská plynárenská servis Distribuce, a.s.	471 16 471
				Prometheus, energetické služby, a.s.	630 72 599
				Pražská plynárenská Správa majetku, a.s.	274 36 551
				Informační služby-energetika, a.s.	264 20 830
Pražská teplárenská Holding a.s.	264 16 808				
		Pražská teplárenská, a.s.	452 73 600		
				TERMONTA Praha a.s.	471 16 234
				Teplo Neratovice, spol. s r.o.	498 27 316

				Areál Třeboradice, a.s.	291 32 282
				Energotrans SERVIS, a.s.	293 52 797
				Pražská teplárenská Trading, a.s.	032 61 816
		PT měření, a.s.	040 02 385		
		PT real Estate, a.s.	051 97 155		
				RPC, a.s.	036 69 475
				Nová Invalidovna, a.s.	036 58 767
				Nový Veleslavín, a.s.	036 55 636
				Nové Modřany, a.s.	036 58 082
				Michelský trojúhelník, a.s.	036 34 051
				Pod Juliskou, a.s.	036 68 231
				PT Propertis I., a.s.	036 53 901
				PT Propertis II., a.s.	036 23 475
				PT Propertis III., a.s.	036 34 329
				PT Propertis IV., a.s.	036 40 787
Pražská vodohospodářská společnost a.s.	256 56 112				
Pražské služby, a.s.	601 94 120				
		AKROP s.r.o.	264 32 331		
		Pražský EK0servis, s.r.o.	032 98 973		
		EVOK, o.p.s.	024 12 390		
Technická správa komunikací hl. m. Prahy, a.s.	034 47 286				
TCP - Vinohrady, a.s.	256 72 541				
TRADE CENTRE PRAHA a.s.	004 09 316				
Úpravna vody Želivka, a.s.	264 96 224				
		Želivská provozní a.s.	291 31 804		
Výstaviště Praha, a.s.	256 49 329				
Zdroj pitné vody Káraný, a.s.	264 96 402				
		Vodárna Káraný, a.s.	291 48 995		

List of Abbreviations

AE	Airport Express	MHMP	Metropolitan Authority of the Capital City of Prague
BOZP	Occupational Safety and Health	MS	Municipal court
BŘ	Director in charge of the safety department	MŠMT	Ministry of Education, Youth and Sport
ČS	Česká spořitelna	ONN	Other personnel expenses
ČSOB	Československá obchodní banka	OPD	Operational programme – Transport
DHM	Tangible fixed assets	OPPK	Operational programme Prague – Competitiveness
DNM	Intangible fixed assets	P+R	Park + ride
DPH	Value added tax	PČR	Police of the Czech Republic
DPP	the Prague Public Transit Co. (the Transit Company – DP)	PID	Prague Integrated Transport
DŘ	Director in charge of the transport department	POP	Operating and attending worker
EŘ	Director in charge of the economic department	POSPOLU	Support to cooperation between schools and companies focused on professional training in practice
EU	European Union	PROVAS	Anti-chemical warning system in metro
EZS	Electronic security system	ROPID	Regional organizer of the Prague public transport
GVD	Train set graphical timetable	RTT	Reconstruction of tram track
HMP	the Capital City of Prague	SDI	Centres of traffic information
HZS DP	Fire Brigade of the Prague Public Transit Co., Inc.	SPŠD	Secondary Technical School of Transport
ICT	Computers and information technology	SSZ	Lighting signalling equipment
IT	Information technique	Stř. STK	Technical inspection station centre
JDCM	Traffic route – Metro division	TCP	Trade centre Prague
JPA	Bus operation division	TH	Technical-economy (employees)
JPT	Tram operation division	TŘ	Director in charge of the technical department
KČ	Czech crowns	TT	Tram track
KS	Collective agreement	ÚOHS	Office for the Protection of Economic Competition
LZ	Human resources	UTZ	Defined technical equipment
MČ	Municipal district	VpA	Auditing Committee
MD	Ministry of Transport	VT	Computing technique
MHD	Public city transport	VTZ	Selected technical equipment

Auditor's Report





Information about the audited company

Name of the Company:	Dopravní podnik hl. m. Prahy, akciová společnost
Registered office:	Sokolovská 217/42, 190 22 Praha 9
Recording carried out at:	Municipal court in Prague
Recording under number:	Section B, file number 847
ID number:	000 05 886
Tax ID number:	CZ00005886
Statutory body:	Board of Directors
Subject of business:	Operating a tram line, a special line (metro) and the cableway (Petřín and the Prague Zoo) and railway in Prague
Audited period:	from 1 January 2017 to 31 December 2017
Recipient of the report:	Shareholder of Dopravní podnik hl. m. Prahy, akciová společnost

Information about the auditing company

Name of the company:	NEXIA AP a.s.
Audit firm licence No.:	No. 006
Registered office:	Sokolovská 5/49, 186 00 Prague 8 Karlin
Recording carried out at:	Municipal court in Prague
Recording under number:	Section B, file number 14203
ID number:	481 17 013
Tax ID number:	CZ48117013
Phone:	+420 221 584 302
E-mail:	nexia@npx.cz
Responsible auditor:	Ing. Jakub Kovář
Auditor licence No.:	No. 1959

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Independent auditor's report

to the Shareholder of Dopravní podnik hl. m. Prahy, akciová společnost

Opinion

We have audited the accompanying financial statements of joint-stock company **Dopravní podnik hl. m. Prahy, akciová společnost** (hereinafter also the „accounting unit“) prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 31 December 2017, the income statement, statement of changes in equity and statement of cash flows for the year 2017 then ended 31 December 2017 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of joint-stock company Dopravní podnik hl. m. Prahy, akciová společnost as at 31 December 2017, and of its financial performance and its cash flows for the year 2017 then ended 31 December 2017 in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information Included in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Component Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information is prepared in compliance with applicable law or regulation.

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In addition, our responsibility is to report, based on the knowledge and understanding of the accounting unit obtained at the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Accounting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board and Audit Committee are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the accounting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Component Management.
- Conclude on the appropriateness of the Component Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the accounting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the accounting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the Board of Directors, the Supervisory Board and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prague, 12.4.2018



Jakub Kovář
auditor licence No. 1959
NEXIA AP a.s.
audit firm licence No. 096

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Balance Sheet in Full Scope

as of 31st December 2017
(in thousands CZK)


The Prague Public Transit Co. Inc.
Sokolovská 217/42, 190 22 Prague 9
Company´s ID No.: 00005886

Code	Assets	31. 12. 2017			31. 12. 2016
		Gross	Adjustment	Net	Net
	TOTAL ASSETS	132 587 254	51 364 147	81 223 107	79 078 485
B.	Fixed assets	123 370 758	50 387 030	72 983 728	72 006 551
B.I.	Intangible fixed assets	1 154 291	1 067 473	86 818	99 432
B.I.2.	Valuable rights	1 025 189	962 925	62 264	79 676
B.I.2.1.	Software	1 017 611	955 799	61 812	79 676
B.I.2.2.	Other valuable right	7 578	7 126	452	0
B.I.4.	Other intangible fixed assets	119 662	104 548	15 114	15 456
B.I.5.	Advance payments for intangible fixed assets and intangible fixed assets under construction	9 440	0	9 440	4 300
B.I.5.2.	Intangible fixed assets under construction	9 440	0	9 440	4 300
B.II.	Tangible fixed assets	121 975 987	49 319 557	72 656 430	71 661 619
B.II.1.	Lands and Constructions	62 747 857	20 519 355	42 228 502	42 060 086
B.II.1.1.	Lands	3 436 657	0	3 436 657	3 375 114
B.II.1.2.	Constructions	59 311 200	20 519 355	38 791 845	38 684 972
B.II.2.	Corporeal chattels and their sets	57 060 769	28 785 945	28 274 824	27 728 571
B.II.4.	Other tangible fixed assets	67 049	14 257	52 792	57 050
B.II.4.3.	Other tangible fixed assets	67 049	14 257	52 792	57 050
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	2 100 312	0	2 100 312	1 815 912

B.II.5.1.	Advance payments for tangible fixed assets	861 614	0	861 614	230 937
B.II.5.2.	Tangible fixed assets under construction	1 238 698	0	1 238 698	1 584 975
B.III.	Long-term financial assets	240 480	0	240 480	245 500
B.III.1.	Shares – controlled and controlling organizations	209 073	0	209 073	221 121
B.III.3.	Shares – substantial influence	31 407	0	31 407	24 379
C.	Current assets	9 091 979	977 117	8 114 862	6 935 054
C.I.	Inventory	594 647	14 568	580 079	454 707
C.I.1.	Materials	585 133	14 568	570 565	443 074
C.I.2.	Work in progress and semi-products	8 151	0	8 151	10 671
C.I.3.	Finished products and merchandise	1 363	0	1 363	962
C.I.3.2.	Merchandise	1 363	0	1 363	962
C.II.	Receivables	2 809 918	962 549	1 847 369	1 029 247
C.II.1.	Long-term receivables	218 151	0	218 151	103 306
C.II.1.1.	Trade receivables	1 139	0	1 139	5 311
C.II.1.5.	Other receivables	217 012	0	217 012	97 995
C.II.1.5.2.	Long-term deposits given	107 065	0	107 065	97 995
C.II.1.5.4.	Other receivables	109 947	0	109 947	0
C.II.2.	Short-term receivables	2 591 767	962 549	1 629 218	925 941
C.II.2.1.	Trade receivables	1 206 483	838 549	367 934	240 444
C.II.2.4.	Other receivables	1 385 284	124 000	1 261 284	685 497
C.II.2.4.3.	Due from state – tax receivable	325 666	0	325 666	340 631
C.II.2.4.4.	Short-term deposits given	51 926	0	51 926	99 062
C.II.2.4.5.	Estimated receivable	268 037	0	268 037	214 380
C.II.2.4.6.	Other receivables	739 655	124 000	615 655	31 424
C.III.	Short-term financial assets	3 169 592	0	3 169 592	2 000 000
C.III.2.	Other short-term financial assets	3 169 592	0	3 169 592	2 000 000
C.IV.	Cash and bank accounts	2 517 822	0	2 517 822	3 451 100
C.IV.1.	Cash float	44 634	0	44 634	47 083
C.IV.2.	Bank accounts	2 473 188	0	2 473 188	3 404 017
D.	Accruals	124 517	0	124 517	136 880
D.1.	Deferred expenses	122 041	0	122 041	135 155
D.3.	Deferred income	2 476	0	2 476	1 725

Code	Liabilities	31. 12. 2017	31. 12. 2016
	TOTAL LIABILITIES	81 223 107	79 078 485
A.	Equity capital	65 780 420	63 040 526
A.I.	Registered capital	31 239 495	30 726 125
A.I.1.	Registered capital	30 726 125	30 726 125
A.I.3.	Changes of registered capital	513 370	0
A.II.	Share premium and capital funds	30 986 089	30 745 163
A.II.2.	Capital funds	30 986 089	30 745 163
A.II.2.1.	Other capital funds	30 930 771	30 931 366
A.II.2.2.	Diferences from revaluation of assets and liabilities (+/-)	55 318	-186 203
A.IV.	Profit/loss – previous years (+/-)	1 653 938	-266 213
A.IV.1.	Retained earnings from previous years	1 569 238	0
A.IV.2.	Accumulated losses from previous years (-)	0	-266 213
A.IV.3.	Other profit/loss – previous years (+/-)	84 700	0
A.V.	Net profit/loss for the current period (+/-)	1 900 898	1 835 451
B.+C.	Other sources	14 718 262	15 241 527
B.	Reserves	511 506	546 275
B.IV.	Other reserves	511 506	546 275
C.	Payables	14 206 756	14 695 252
C.I.	Long-term payables	5 393 030	4 985 532
C.I.3.	Long-term advances received	23 217	21 826
C.I.4.	Trade payables	556 165	654 380
C.I.8.	Deffered tax liability	4 813 648	4 309 326

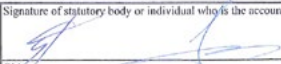
C.II.	Short-term payables	8 813 726	9 709 720
C.II.3.	Short-term deposits received	296 888	280 017
C.II.4.	Trade payables	1 258 918	1 460 968
C.II.5.	Short-term notes payables	5 600 000	6 400 000
C.II.8.	Other payables	1 657 920	1 568 735
C.II.8.3.	Payables to employees	346 589	331 088
C.II.8.4.	Payables to social securities and health insurance	205 270	194 307
C.II.8.5.	Due from state - tax liabilities and subsidies	1 007 164	684 154
C.II.8.6.	Estimated payables	79 091	57 817
C.II.8.7.	Other payables	19 806	301 369
D.	Accrued liabilities	724 425	796 432
D.1.	Accrued expenses	18 197	121 064
D.2.	Accrued revenue	706 228	675 368

Date of dispatch 26.2.2018	Signature of statutory body or individual who is the accounting unit 
Legal status of an accounting unit Incorporated Company	Object Public Transport Operator (and other activities)

Profit and Loss Statement in Full Scope

as of 31st December 2017
(in thousands CZK)

The Prague Public Transit Co. Inc.
Sokolovská 217/42, 190 22 Prague 9
Company´s ID No.: 00005886

Date of dispatch 26.2.2018	Signature of statutory body or individual who is the accounting unit 
Legal status of an accounting unit Incorporated Company	Object Public Transport Operator (and other activities)

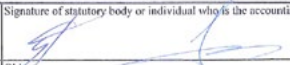
Code		Period until 31 st December 2017	Period until 31 st December 2016
I.	Revenues from the sale of own products and services	18 594 271	17 580 169
I.1.	Revenues from own products and services	18 594 271	17 580 169
I.1.1.	Revenues from fare	4 365 273	4 257 730
I.1.2.	Compensation for public sevice obligation	13 535 144	12 666 127
I.1.3.	Other revenues	693 854	656 312
II.	Revenues from merchandise	883	988
A.	Production consumed	6 555 685	6 699 514
A.1.	Cost of merchandise sold	661	930
A.2.	Consumption of material and energy	2 744 093	2 739 563
A.3.	Services	3 810 931	3 959 021
B.	Change in inventory of own products (+/-)	2 520	-2 914
C.	Capitalisation [-]	-524 930	-488 169
D.	Personnel expenses	7 027 374	6 611 386
D.1.	Wages and salaries	5 024 367	4 755 458
D.2.	Social security, health insurance and other expenses	2 003 007	1 855 928
D.2.1.	Social security expenses and health insurance	1 802 759	1 690 146
D.2.2.	Other expenses	200 248	165 782

E.	Value adjustments in the operational area	3 370 806	3 314 883
E.1.	Value adjustments of intagible and tangible fixed assets	3 206 343	3 106 555
E.1.1.	Value adjustments of intagible and tangible fixed assets – permanent	3 177 598	3 107 706
E.1.2.	Value adjustments of intagible and tangible fixed assets – temporary	28 745	-1 151
E.2.	Stock value adjustments	6 725	-1 876
E.3.	Receivable value ajdustments	157 738	210 204
III.	Other operating revenues	1 284 008	1 283 003
III.1.	Revenues from disposals of fixed assets	27 105	29 163
III.2.	Revenues from disposals of materials	74 329	63 949
III.3.	Other operating revenues	1 182 574	1 189 891
F.	Other operating expenses	1 015 024	1 160 398
F.1.	Net book value of sold fixed assets	11 646	1 805
F.2.	Net book value of sold materials	68 410	60 024
F.3.	Taxes and fees	28 426	6 717
F.4.	Reserves and complex deferred costs	-34 769	-39 775
F.5.	Other operating expenses	941 311	1 131 627
*	Operating profit/loss (+/-)	2 432 683	1 569 062
VI.	Interest revenues	3 785	832
VI.2.	Interest revenues – controlled and controlling organizations	3 785	832
J.	Other interest revenues	61 137	78 728
J.2.	Other interest expenses	61 137	78 728
VII.	Other financial revenues	2 061 476	4 144 507
K.	Other financial expenses	2 089 418	4 360 011
*	Profit/Loss from financial operations (+/-)	-85 294	-293 400
**	Profit/Loss before tax (+/-)	2 347 389	1 275 662
L.	Income tax	446 491	-559 789
L.2.	Income tax – due tax	446 491	-559 789
**	Profit/Loss after tax (+/-)	1 900 898	1 835 451
***	Profit/Loss of current accounting period (+/-)	1 900 898	1 835 451
*	Net turnover for the accounting period	21 944 423	23 009 499

Changes in Equity Capital Statement

as of 31st December 2017
(in thousands CZK)

The Prague Public Transit Co. Inc.
Sokolovská 217/42, 190 22 Prague 9
Company's ID No.: 00005886

Date of dispatch 26.2.2018	Signature of statutory body or individual who is the accounting unit 
Legal status of an accounting unit Incorporated Company	Object Public Transport Operator (and other activities)

Account	Authorized capital	Changes in registered capital	Other capital funds	Adjustments to assets and payables	Cumulative trading income	In total equity capital
Opening balance as of 1 st January 2016	30 726 125	0	30 931 594	-284 363	-266 213	61 107 143
Capital transactions with owners						
Allocation to the reserve fund						
Paid-out dividends						
Subscription of authorized capital						
Grants to increase equity capital						
Other transactions						
Trading income for the current year					1 835 451	1 835 451
Valuation of lands and buildings			-228			-228
Increase in estimated changes in value of securities etc.				4 793		4 793
Revaluation of derivatives				115 268		115 268
Deferred tax to derivatives				-21 901		-21 901
Settlement of loss from reserve fund						
Correction of errors and changes in methods						



Closing balance as of 31 st December 2016	30 726 125	0	30 931 366	-186 203	1 569 238	63 040 526
Capital transactions with owners						
Allocation to the reserve fund						
Paid-out dividends						
Subscription of the authorized capital						
Increase in Closing balance – non-cash contribution in the Commercial Register		513 370				513 370
Grants to increase equity capital						
Other transactions						
Trading income for the current year					1 900 898	1 900 898
Valuation of lands and buildings			-595			-595
Increase in estimated changes in value of securities etc.				-5 020		-5 020
Revaluation of derivatives				304 372		304 372
Deferred tax to derivatives				-57 831		-57 831
Settlement of loss from the reserve fund						
Correction of errors and changes in methods					84 700	84 700
Closing balance as of 31 st December 2017	30 726 125	513 370	30 930 771	55 318	3 554 836	65 780 420

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

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

Legal form:
Joint stock company, Company Reg. No.: 000 05 886



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1. General Data

1.1. Foundation and characteristics of the company

The accounting unit Dopravní podnik hl. m. Prahy, akciová společnost (The Prague Public Transport Company, a.s.; hereinafter referred to as "the company" or "DP") was founded as a joint stock company through the foundation plan of the Assembly of the Capital City of Prague of 19 March 1991 as the successor of the state-owned enterprise "Dopravní podnik hl. m. Prahy – integrated enterprise", and was incorporated through registration in the Commercial Register administered by the Municipal Court in Prague on 11 July 1991, Rg.: B 847 [at that time in the Companies Register of the District Court for Prague I, Section Sa, File no. 847].

Registered office of the company: Prague 9, Sokolovská 217/42, Post Code No. 190 22.

The sole shareholder of the company is the CAPITAL CITY OF PRAGUE having its registered office at Prague 1, Mariánské náměstí 2, Post Code No. 110 00, Company Reg. No. 00064581.

The company has the registered capital amounting to CZK 31,239,495,000 consisting of two parts, namely the registered capital recorded in the Commercial Register at an amount of CZK 30,726,125,000 and the registered capital not recorded in the Commercial Register as of the Balance Sheet Day (31 December 2017), at an amount of CZK 513,370,000. The registered capital arose through a non-financial deposit of the sole shareholder. The non-financial investment at an amount of CZK 513,370,000 was recorded in the Commercial Register on 5 January 2018.

The registered capital of the company is divided into altogether 3,002 registered shares, of which:

- 3,000 shares with a nominal value of CZK 10,000,000; i.e. CZK 30,000,000,000
- 1 share with a nominal value of CZK 726,125,000
- 1 share with a nominal value of CZK 513,370,000

Total nominal value of shares as at 31 December 2017 CZK 31,239,495,000

The shares of the company are registered in the name: "Obec – hlavní město Praha" ("Community – Capital City of Prague").

The Financial Statements of the company have been drawn up as at 31 December 2017.

The accounting period is the calendar year: from 1 January 2017 to 31 December 2017.

The objects of business activities of the company are:

- Operation of a tramway network, special railroad (metro system) and cableway (Petřín and ZOO) and operation of railroad transport in the Capital City of Prague,
- Repairs of road vehicles,
- Operation of a car school,
- Psychological advisory services and diagnostics,
- Restaurant services,
- Provision of healthcare services,
- Operation of technical inspection stations,
- Operation of emission measurement stations,
- Execution of constructions, their changes and removal,

- Provision of services in the field of occupational health and safety,
- Technical and organisational activities in the field of fire protection,
- Road motor transport – freight transport, operated with vehicles or vehicle sets with the largest permitted weight exceeding 3.5 tonnes, if they are intended for transport of animals or things, - passenger transport, operated with vehicles intended for transport of more than 9 persons, including the driver, - freight transport, operated with vehicles or vehicle sets with the largest permitted weight not exceeding 3.5 tonnes, if they are intended for transport of animals or things,
- Production, business and services not stated in Annexes 1 to 3 to the Trade Licensing Act,
- Repairs of other means of transport and work machines,
- Metal sheet work and repair of bodyworks,
- Metal work, tool making activities,
- Production, installation, repairs of electrical machines and instruments, electronic and telecommunication equipment,
- Assembly, repairs, revisions and tests of electrical equipment.

1.2. Changes and amendments in the Commercial Register in the previous accounting period

Changes in records concerning the members of the Board of Directors

In the course of 2017, there were not made any changes in the records concerning the members of the Board of Directors.

Changes in the registrations of the members of the Supervisory Board

On 6 June 2017, the office of the Vice Chairman of the Supervisory Board ceased to exist for Bc. Oldřich Schneider and at the same time his membership on the Supervisory Board was terminated. The deletion from the Commercial Register was made on 18 September 2017.

On 14 June 2017, the office of the Vice Chairman of the Supervisory Board arose to Mr. Jiří Obitka. The registration in the Commercial Register was made on 18 September 2017.

On 6 June 2017, the membership on the Supervisory Board was terminated for Mr. Václav Pospíšil. The deletion from the Commercial Register was made on 18 September 2017.

On 6 June 2017, the membership on the Supervisory Board was terminated for Mr. Josef Buriánek. The deletion from the Commercial Register was made on 18 September 2017.

On 7 June 2017, the membership on the Supervisory Board arose to Ing. Petr Hlaváč. The registration in the Commercial Register was made on 18 September 2017.

On 7 June 2017, the membership on the Supervisory Board arose to Mr. Jan Lebeda. The registration in the Commercial Register was made on 18 September 2017.

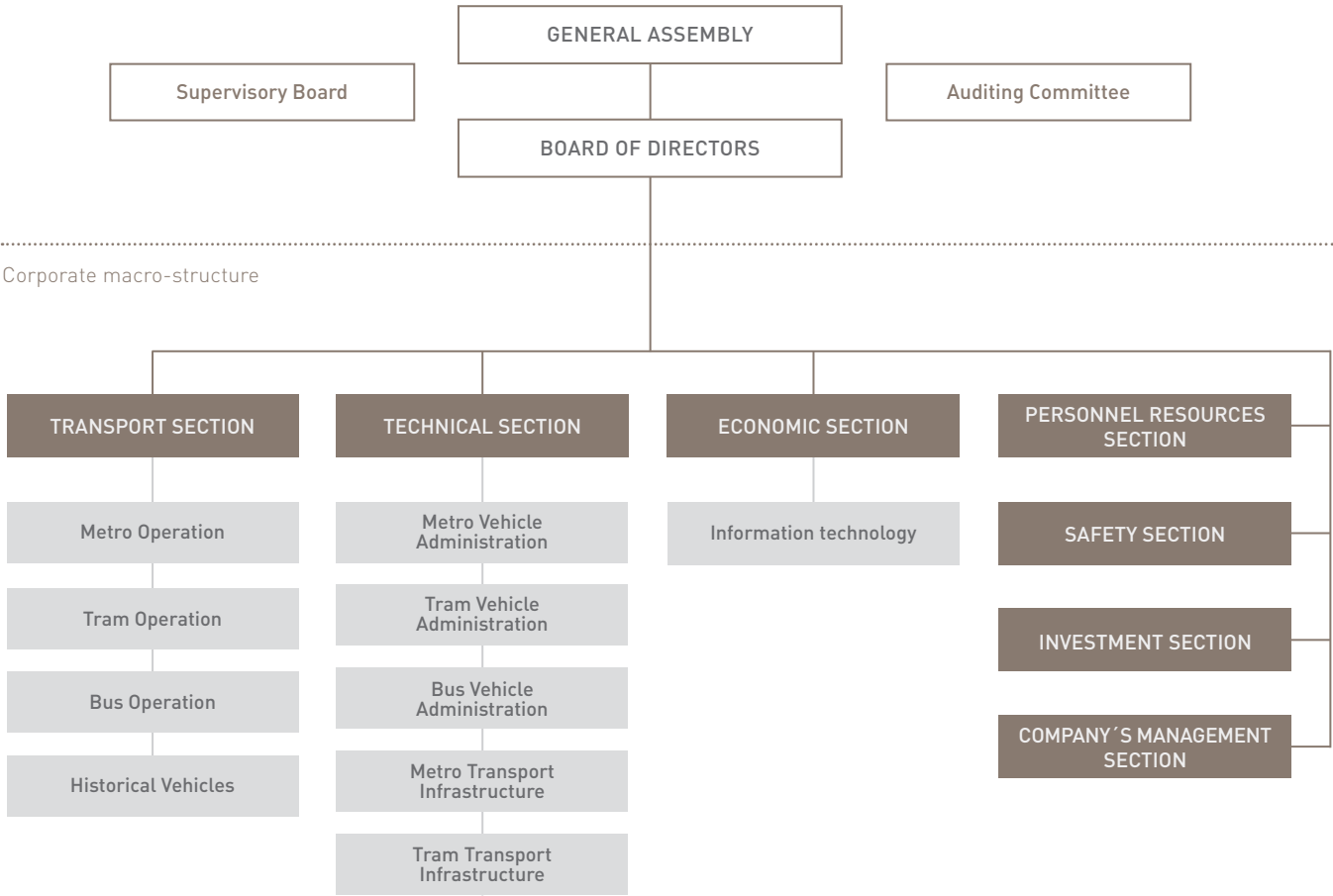
On 7 June 2017, the membership on the Supervisory Board arose to Mr. Vratislav Feigl. The registration in the Commercial Register was made on 18 September 2017.



1.3. Organisational structure of the company

Organisational structure of the company as at 31 December 2017

Corporate bodies



Corporate macro-structure

1.4. Identification of the group

The sole shareholder of DP

CAPITAL CITY OF PRAGUE (hereinafter referred to as "HMP") having its registered office at Prague 1, Staré Město, Mariánské nám. 2, Administrative Id. No.: 000 64 581.

Sesterské obchodní společnosti DP

Commercial name	% shareholding of HMP in the registered capital	Registered office	Company Reg. No.
Kolektory Praha, a.s.	100	Prague 9, Pešlova 3/341	26714124
Kongresové centrum Praha, a.s.	45,652	Prague 4, 5. května 65	63080249
Obecní dům, a.s.	100	Prague 1, nám. Republiky 1090/5	27251918
Operátor ICT, a.s.	100	Prague 7, Dělnická 213/12	02795281
Pražská energetika Holding a.s.	51	Prague 10, Na Hroudě 1492	26428059
Pražská plynárenská Holding a.s.	100	Prague 4, U Plynárny 500/44	26442272
Pražská teplárenská Holding a.s.	51	Prague 7, Partyzánská 1	26416808
Pražská vodohospodářská společnost a.s.	100	Prague 1, Žatecká 110/2	25656112
Pražské služby, a.s.	96,24	Prague 9, Pod Šancemi 444/1	60194120
TCP - Vinohrady, a.s.	100	Prague 2, Blanická 1008/28	25672541
Technická správa komunikací hl. m. Prahy, a.s.	100	Prague 1, Řásnovka 770/8	03447286
TRADE CENTRE PRAHA a.s.	100	Prague 2, Blanická 1008/28	00409316
Úpravna vody Želivka, a.s.	90,0353	Prague 10, K Horkám 16/23	26496224
Výstaviště Praha, a.s.	100	Prague 7, Výstaviště 67	25649329
Zdroj pitné vody Káraný, a.s.	97,25	Prague 1, Žatecká 110/2	26496402

According to an announcement of the Municipal Authority of the Capital City of Prague, Pražská teplárenská Holding a.s. was not a company controlled by HMP as at 13 December 2017.

The company "Rozvojové projekty Praha, a.s." changes its commercial name, according to the record in the Commercial Register, to "Výstaviště Praha, a.s." as at 1 October 2017.

Subsidiaries and related business companies of the DP company

Commercial name	% shareholding of HMP in the registered capital	Registered office	Company Reg. No.
Pražská strojírna a.s.	100	Prague 9, Mladoboleslavská 133	60193298
RENCAR PRAHA, a.s.	28	Prague 8, Rohanské nábřeží 678/25	00506397
Střední průmyslová škola dopravní, a.s.	100	Prague 5, Plzeňská 298/217a	25632141

Shareholding in the related business company RENCAR PRAHA, a.s.

Commercial name	% shareholding of RENCAR PRAHA, a.s. in the registered capital	Registered office	Company Reg. No.
RENCAR MEDIA s.r.o.	100	Prague 8, Rohanské nábřeží 678/25	25082906



Overview of subsidiaries and related business companies at affiliated companies of DP as at 31 December 2017

Affiliated companies	Indirectly controlled companies and subsidiaries	% shareholding in the reg. capital	Registered office	Company Reg. No.
Pražská energetika Holding a.s.	Indirectly controlled company	% shareholding of PREH in PRE		
	Pražská energetika, a.s.	58,046	Prague 10, Na Hroudě 1492/4	60193913
	Companies with PRE capital participation	% shareholding of PRE in the subsidiary		
	PREdistribuce, a.s.	100	Prague 5, Svornosti 3199/19a	27376516
	eYello CZ, a.s.	90	Prague 10, Kubánské náměstí 1391/11	25054040
	PREměření, a.s.	100	Prague 10, Na Hroudě 2149/19	25677063
	KORMAK Praha a.s.	100	Prague 10, K Sokolovně 667/9	48592307
	KORMAK nemovitosti s.r.o.	100	Prague 10, K Sokolovně 667/9	02065801
	PREzákaznická, a.s.	100	Prague 10, Na Hroudě 1492/4	06532438
Pražská plynárenská Holding a.s.	Indirectly controlled company	% shareholding of PPH in PP		
	Pražská plynárenská, a.s.	100	Prague 1, Národní 37	60193492
	Companies with PP capital participation	% shareholding of PP in the subsidiary		
	Pražská plynárenská Distribuce, a.s., member of grouping Pražská plynárenská, a.s.	100	Prague 4, U Plynárny 500	27403505
	Pražská plynárenská Servis distribuce, a.s., member of grouping Pražská plynárenská, a.s.	100	Prague 4, U Plynárny 1450/2a	47116471
	Prometheus, energetické služby, a.s., member of grouping Pražská plynárenská, a.s.	100	Prague 4, U Plynárny 500	63072599
	Pražská plynárenská Správa majetku, a.s., member of grouping Pražská plynárenská, a.s.	100	Prague 4, U Plynárny 500	27436551
	Informační služby – energetika, a.s.	100	Prague 4, U Plynárny 500	26420830
Pražská teplárenská Holding a.s.	Indirectly controlled company	% shareholding of PTH in PT		
	Pražská teplárenská a.s.	47,42	Prague 7, Partyzánská 1/7	45273600
	PT měření a.s.	47,42	Prague 8, Střelníčná 2221/50	04002385
	PT Real Estate, a.s.	47,42	Prague 7, Partyzánská 1/7	05197155

	Companies with PT capital participation	% shareholding of PT in the subsidiary		
	Areál Třeboradice, a.s.	5	Prague 4, Duhová 1444/2	29132282
	Energotrans SERVIS, a.s.	95	Prague 7, Partyzánská 1/7	29352797
	Pražská teplárenská Trading, a.s.	100	Prague 7, Partyzánská 1/7	03261816
	TERMONTA PRAHA a.s.	100	Prague 10, Třebohostická 46/11	47116234
	Teplo Neratovice, spol. s r.o.	100	Neratovice, Školní 162	49827316
	Companies with PTRE capital participation	% shareholding of PTRE in the subsidiary		
	RPC, a.s.	100	Prague 7, Partyzánská 1/7	03669475
	Nová Invalidovna, a.s.	100	Prague 7, Partyzánská 1/7	03658767
	Nový Veleslavín, a.s.	100	Prague 7, Partyzánská 1/7	03655636
	Nové Modřany, a.s.	100	Prague 7, Partyzánská 1/7	03658082
	Michelský trojúhelník, a.s.	100	Prague 7, Partyzánská 1/7	03634051
	Pod Juliskou, a.s.	100	Prague 7, Partyzánská 1/7	03668231
	PT Properties I, a.s.	100	Prague 7, Partyzánská 1/7	03653901
	PT Properties II, a.s.	100	Prague 7, Partyzánská 1/7	03623475
	PT Properties III, a.s.	100	Prague 7, Partyzánská 1/7	03634329
	PT Properties IV, a.s.	100	Prague 7, Partyzánská 1/7	03640787
Pražské služby, a.s.	Companies with PS capital participation	% shareholding of PS in the reg. capital		
	AKROP s.r.o.	100	Tuchoměřice, Ke Špejcharu 392	26432331
	Pražský EKOservis, s.r.o.	100	Prague 1, Revoluční 1082/8	03298973
	EVOK, o.p.s.	100	Prague 3, Vlkova 430/35	02412390
Úpravna vody Želivka, a.s.	Companies with ÚVŽ capital participation	% shareholding of ÚVŽ in the reg. capital		
	Želivská provozní s.r.o.	100	Prague 10, K Horkám 16/23	29131804
Zdroj pitné vody Káraný, a.s.	Companies with ZPVK capital participation	% shareholding of ZPVK in the reg. capital		
	Vodárna Káraný, a.s.	100	Prague 1, Žatecká 110/2	29148995

1.5. Corporate bodies

The corporate bodies are the General Meeting, Board of Directors, Supervisory Board and Audit Committee.

The General Meeting is the supreme corporate body of the company. The competence of the General Meeting is performed, according to

provisions of Section 68(2)(h) of the Act no. 131/2000 Coll., on the Capital City of Prague, by the Council of the Capital City of Prague (except for the decision about cancellation of the company, which is decided about by the Assembly of the Capital City of Prague - see Section 59 of the Act on the Capital City of Prague).

The Board of Directors and Supervisory Board as at 31 December 2017

	Position	Name
Board of Directors	Chairman	Mgr. Martin Gillar
	Vice Chairman	JUDr. Jan Blecha
	Member	PhDr. Jiří Špička
	Member	Ing. Jan Šurovský Ph.D.
	Member	Ing. Ladislav Urbánek
Supervisory Board	Chairman	Petr Dolínek
	Vice Chairwoman	Ing. Jarmila Bendová
	Vice Chairwoman	Mgr. Petra Kolínská
	Vice Chairman	Jiří Obitko
	Member	Ing. Marek Doležal
	Member	Bc. Jan Kolář
	Member	Ing. Petr Hlubuček
	Member	Ing. Peter Hlaváč
	Member	JUDr. Petr Novotný
	Member	Martin Slabý
	Member	Vratislav Feigel
	Member	Petr Šimůnek
	Member	Ing. Vojtěch Kocourek, Ph.D.
Audit Committee	Member	Jan Lebeda
	Member	Jaroslav Štěpánek
	Chairman	Ing. Aleš Michl
	Vice Chairwoman	Ing. Zdena Javornická
	Member	Ing. Ladislav Langr

2. Accounting Methods and General Accounting Principles

The accounting of the company is conducted and the Financial Statements have been drawn up in accordance with the Act no. 563/1991 Coll. on accounting, as amended, Decree no. 500/2002 Coll. (hereinafter referred to as the Decree), implementing certain provisions of the Act no. 563/1991 Coll. on accounting, for accounting units, which are entrepreneurs accounting in the double-entry accounting system, as amended, and Czech Accounting Standards

for Entrepreneurs, as amended. The accounting system respects general accounting principles, especially the principle of property valuation with historical cost, principle of accounting in material and time contexts, principle of prudence and presumption on the ability of the accounting unit to continue in its activities. The data in the present Financial Statements, unless provided for otherwise, is expressed in thousands of Czech crowns (CZK 1,000).

3. Overview of important Accounting Rules and Procedures

3.1. Fixed tangible and intangible assets

The term “fixed assets” denotes the assets whose usability time period is longer than one year and whose valuation in an individual case is higher than CZK 40,000 (intangible assets and tangible assets except for plots of land, constructions and buildings, including utility networks, water works, rights to build, unless they are goods,

flats and non-residential premises outlined as units and works of art and rights to use concerning plots of land and constructions). Plots of land, buildings and constructions, including utility networks, water works, rights to build, unless they are goods, flats and non-residential premises outlined as units, rights to use concerning plots of land and constructions and works of art are considered as fixed assets, regardless of their valuation. Besides this, the term “fixed

assets” includes also the assets which are purchased partly by using the company’s own resources and partly by using the subsidy when the input price of fixed tangible and intangible assets acquired by using the company’s own resources is up to CZK 40,000 inclusive. The limit for the outlining of technical betterment which increases the value of fixed assets is more than CZK 40,000 in total for the accounting period.

Tangible and intangible assets up to CZK 40,000 are not subject to depreciation in the DP conditions. They are considered as stock (DRHM - low-value tangible assets) or services (DRNM - low-value intangible assets). They are accrued assets for 2 years and registered in off-balance records except for extraordinary events.

Costs associated with acquisition of fixed assets

The valuation of fixed intangible and tangible assets and technical betterment includes, until the time of putting the assets into the condition eligible for use, in particular, the following costs:

- Research, geological, geodetic and project works, including variant solutions,
- Customs duty, assembly, transport fees, fee for environmental disposal, packaging fees,
- Residual price of disabled buildings or their parts in consequence of new constructions,
- Costs of tender procedures,
- Compensations for limitation of ownership rights, compensations for property detriments to the owner, lessee or tenant of real property assets,
- Tests before the putting of assets into the condition capable of use,
- Preparatory work, in particular costs of expertises, fees, remunerations for advisory and intermediation services associated with the fixed assets acquired,
- In case of fixed assets financed from structural funds of the EU, a part of the purchase cost of fixed assets is also the auditor’s verification, advisory activities and other costs associated with the approval of the request for financing from structural funds of the EU,

- Real property acquisition tax,
- Value of modification of the VAT deduction, when there is a change in the extent of the use of assets for the purpose establishing the claim for tax deduction.

During registration and valuation of plots of land in DP we differ 4 possibilities:

- 1) In case that due to digitisation of cadastral maps (before increase in their precision) there occurs a situation that the Land Registry specifies a different surface area of plots of land than the one specified in the asset card in the accounting system, then a change in the surface area of plots of land on the card of assets will be specified. Valuation of the plot of land will remain unchanged.
- 2) If it is necessary to correct errors in the surface area of the plot of land found out by the actual Land Registry, the surface area specified in the card of assets will be modified. Valuation of the plot of land shall remain unchanged.
- 3) If it is found out that the DP accounting states a surface area of the plot of land different (lower or higher) than the one which is stated in the Land Registry, it is necessary to carry out a change in the surface area of the plot of land in the card of assets, so that it can correspond to the Land Registry without modification of valuation of the plot of land.
- 4) If the accounting records do not state the plot of land which DP owns according to the Extract from the Land Registry, then it is necessary to include the plot of land into the records in the surface area according to the Land Registry and the valuation of the plot of land is carried out according to the Expert Opinion, which is to include the administrative and market prices, and it will be introduced into the accounting records for the reasons of prudence at a lower price.

While creating new assets or carrying out a change in the assets of third persons, which are not associated with the mission of DP, but the execution of which is necessary for acquisition and use of the DP assets, DP proceeds as with a capital expenditure called out. It registers these assets on the acquisition accounts and at the time of putting into use of the main capital expenditure these investment

costs invested by using the company’s own resources become a part of the purchase costs of the DP assets.

Valuation by means of reproduction cost was used in 2017 for the rights to use acquired without consideration. The reproduction price was determined according to the Expert Opinion. The reproduction price was used for valuation of inventory excesses of fixed assets. The reproduction price was determined by an expert estimation made by an employee of the TSO Department.

Fixed tangible assets created by the company’s own activities are valued through the company’s own costs, i.e. on the basis of all direct costs and indirect costs which are immediately connected with creation of the fixed assets.

Fixed intangible assets and fixed tangible assets are depreciated on a straight-line basis on the basis of the depreciation plan through accounting depreciations, in accordance with Section 7(1) of the Accounting Act. The amount of adjustments to fixed assets is determined by means of the lifetime, which is specified with regard to the wear and tear corresponding to ordinary conditions of use. Depreciation starts in the month of putting into use.

Depreciation of the rights to use established and of the rights to build in favour of the company is as follows:

Purchase price of the right to use and right to build	Time of creation	Depreciation time
Up to CZK 40,000	Definite	24 months
	Indefinite	24 months
From CZK 40,000 to CZK 10,000,000	Definite	According to the time specified in the contract, for which the right to use or the right to build has been established
	Indefinite	48 months for the right to use and 99 years for the right to build
More than CZK 10,000,000	Definite	According to the time specified in the contract, for which the right to use or the right to build has been established
	Indefinite	30 years for the right to use and 99 years for the right to build

The length of presupposed lifetime for the most important groups of assets is as follows:

Fixed assets	Lifetime in years
Metro tunnels	100
Metro power supply system	30
Tramways – railway substructure	30
Tramways – railway superstructure	15
Escalators	25
Means of transport:	
- Metro carriages acquired by the end of 1991	20
- Metro carriages acquired from 2001	40
- Renovated metro carriages	15
- Trams T3R.P	15
14T, 15T	30
Other types of trams	20
- Buses – standard and articulated models	10
- Buses – standard and articulated low-floor vehicles, midi-buses	12

The assets fully purchased from the subsidy for purchase of fixed intangible assets and of fixed tangible assets are not depreciated.

As at the date of the Financial Statements, there are created adjustments to the accounts of fixed assets. Their amount is found out on the basis of inventory taking and individual assessment of the realistic condition of individual entries when the useful value of fixed assets is markedly lower than their valuation in the accounting system after subtracting of adjustments, and this value reduction cannot be considered as a reduction of a permanent nature.

3.2. Fixed financial assets

Fixed financial assets represent property participations (shareholdings) in controlled and controlling persons and accounting units under essential influence. On acquisition they are accounted at purchase price.

Property participations in the companies, in controlled and controlling persons and in accounting units under essential influence are valued as at the date of the Financial Statements by using the equity method, i.e. the value of property participation is, as at the date of the Financial Statements, modified to the value corresponding to the rate of participation of the company in the equity of the subsidiary. The valuation by means of equity is accounted as a change in the value of securities, in relation with the account no. 414 – Valuation differences from re-pricing of assets and liabilities.

3.3. Inventory

Purchased inventory is valued at purchase cost. A part of the purchase cost of the inventory consists of the cost associated with its purchase, in particular transport fees, commissions, customs duty, insurance fees, packing fees, postage, discounts, disposal fees (PHE fee).

Inventory of the same kind is conducted in stock in valuation with the price found out by means of the weighted arithmetic means.

If the cost associated with purchase is not a part of the purchase cost of particular materials and goods, it is monitored on a separate analytical account of the inventory and once a month it is dissolved into consumption of materials and goods according to the internal guideline. This procedure is used at the company also for transport services ensured by intra-company services.

The method concerning the accounting of a change in the state of inventory of the company’s own activities has been changed since 1 January 2016 on the basis of an amendment to the Decree no. 500/2002 Coll. The increments or decrements of the inventory (products, unfinished production and semi-finished products of the company’s own production) are accounted through the corresponding cost account. Increments in the inventory are accounted to the benefit of the corresponding cost account of the account group 58 - Change in the state of inventory of the company’s own activities and capitalisation, while decrements in the inventory are accounted to the debit of this account. This entry can have a negative value as well. In the DP conditions, a change in unfinished production is accounted through the corresponding account 581 - Change in the state of inventory of unfinished production.

The purchase and decrement of the inventory in central and operational warehouses are carried out, according to the Czech Accounting Standard for Entrepreneurs no. 15, by using the method A.

In 2017, the so-called “standby storage facilities” were established at DPP, serving for assurance of activities associated with physical takeover, storage and shipment of products necessary for operational assurance of the operation in the case of extraordinary events and other operational matters. This involves a change in the method of stating when these storage facilities are stated in a balance-sheet way and their initial condition was introduced on the basis of physical inventory taking through the synthetic account 427 – Another economic result. The purchase and decrement of the inventory is carried out in this case, according to the Czech Accounting Standard for Entrepreneurs no. 15, by using the method B, in a monthly periodicity.

The inventory created by the company's own activities are valued by means of its own cost.

Spare parts and other materials created through the company's own activities are valued by means of the company's actual own cost. Spare parts and other materials created through the company's own activities for which it is not possible to determine, in an unambiguous way, the unit price, are valued on the basis of predetermined prices. These prices are updated on an ongoing basis. The cost components included into the prices of spare parts and other materials determined at the level of the company's own costs are formed of: direct consumption of materials, energy, direct wages, social security and public health insurance, share of production overheads, cooperation, transport fees.

The method concerning the accounting of capitalisation of inventory and fixed assets created by the company's own activities has been changed since 1 January 2016 on the basis of an amendment to the Decree no. 500/2002 Coll.

The costs associated with capitalisation are accounted as a decrease in the costs to the benefit of the corresponding account of the account group 58 - Change in the state of inventory of the company's own activities and capitalisation. This entry has a negative value.

In the DP conditions, the capitalisation of inventory and unfinished assets created by the company's own activities is accounted through the accounts 585, 586 and 588.

The reproduction price at the inventory was determined according to the current average stock price at the time of finding a surplus of the inventory (diesel oil, coolant, oil, other operation liquids). The reproduction price determined by means of a professional estimation is used for the inventory arising from the material acquired from disposal or repairs of fixed assets.

Adjustments to the inventory are created according to the ground materials of the Inventory Management Department. These adjustments were created on the basis of the inventory taking carried out, after the review of the condition, storage time duration and with regard to the presupposed usability and minimum merchantability.

3.4. Receivables

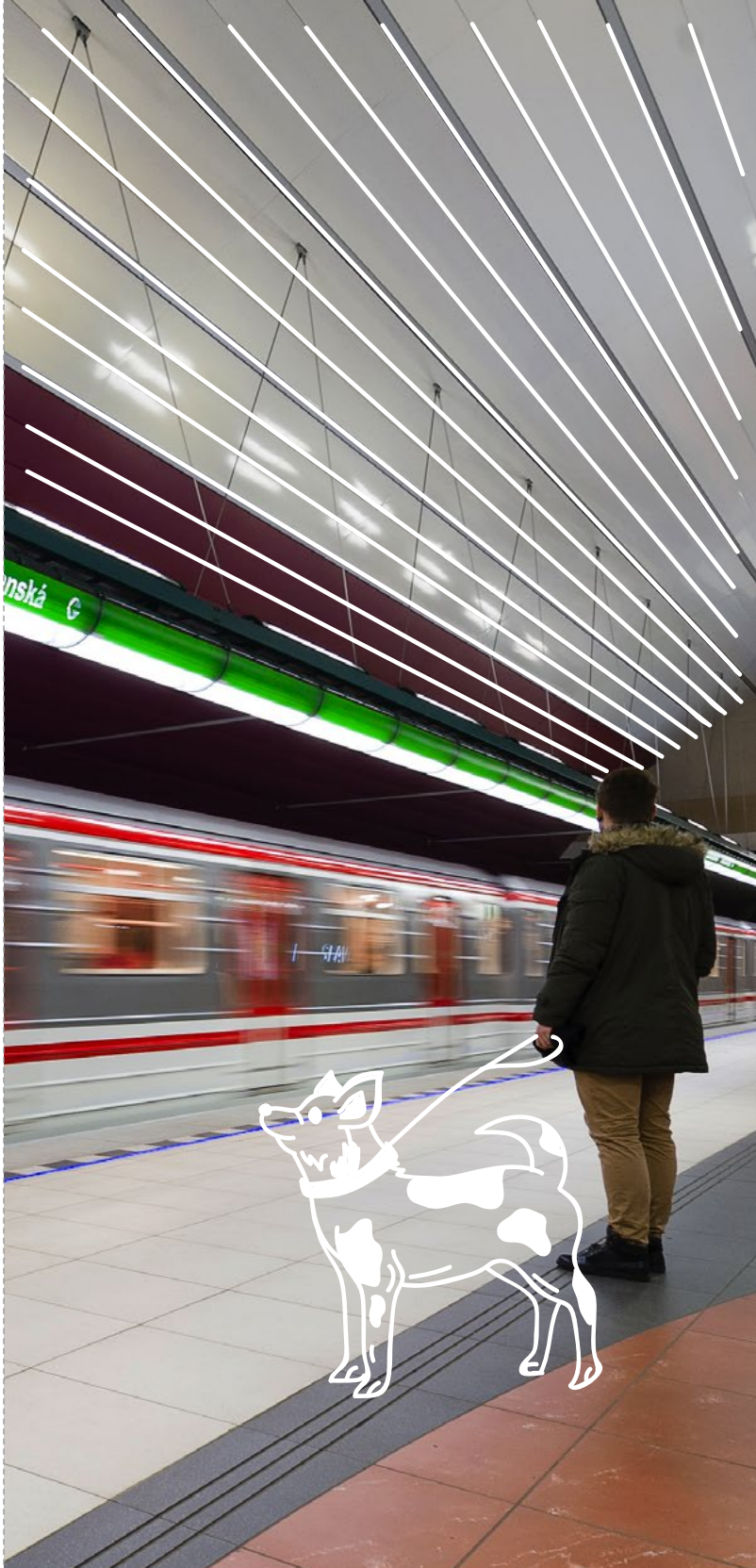
Receivables are valued, on their arising, with a nominal value, subsequently reduced by applicable adjustments to receivables difficult to collect.

The receivables, whose maturity period is one year and less at the time as at which the Financial Statements have been drawn up, are stated as short-term (current) receivables. The other receivables are stated as long-term receivables.

Adjustments are created to receivables from business relations and other receivables according to applicable laws and instructions of the Legal Department. Tax adjustments are created at an amount whose creation is enabled by the applicable law. For receivables which are overdue for from half a year to 1 year, there are created accounting adjustments in such an amount that the total value of tax and accounting adjustments can form 50 % of the unsettled balance sheet value of the receivable, and adjustments to receivables which are overdue for more than 1 year are created up to an amount of 100 % of the balance sheet value of the receivable.

Accounting adjustments are created to receivables from surcharges to fare and to receivables from fare. Their amount is determined as a percentage with regard to the presupposed rate of repayment and recoverability of these receivables.

The mutual setting off of liabilities and receivables takes place within the meaning of the Civil Code according to agreements between business partners.



3.5. Current financial assets

The item "current (short-term) financial assets" includes purchased debentures held until the due date – bills of exchange acquired as short-term betterment of free financial means with a maturity period shorter than one year.

3.6. Liabilities from business relations

Liabilities from business relations are accounted in a nominal value.

The liabilities whose maturity period is, at the time as at which the Financial Statements have been drawn up, one year and less are stated as short-term (current) liabilities. The other liabilities are stated as long-term liabilities.

3.7. Bills of exchange

Bills of exchange are securities containing the data predetermined by the law, from which a debtor's obligation implies, providing the owner of the bill of exchange with an undisputable right to require payment of the bill amount at the specified time.

Bills of exchange are registered as short-term liabilities on the line of statements "Short-term bills of exchange for payment". These bills of exchange are promissory notes issued by the Issuer, i.e. DP to the order of creditors with the clause "without protest". The minimum nominal value of a promissory note is CZK 200 million. The promissory note programme amounted, in total, to CZK 8 billion, and as at 31 December 2016 it was exhausted in full. In the period from 19 December 2016 to 19 December 2017, the promissory notes in a total amount of CZK 6.4 billion were issued. On 19 December 2017, the third instalment was carried out at an amount of CZK 800 million. Altogether an amount of CZK 2.4 billion was paid up as at 19 December 2017 within the framework of the promissory note programme. The balance of the promissory note programme amounted, as at 31 December 2017, to CZK 5.6 billion.

3.8. Derivatives

In accordance with the strategy in the field of interest risk management the company minimises expositions of financial flows implying from these entrepreneurial activities. In this context it makes interest derivative transactions which reduce the risk of changes in values of the future financial flows implying from the financing by way of the promissory note programme.

All financial derivatives are stated in case of a positive fair value as assets and in case of a negative fair value as liabilities.

In 2017, tests of effectiveness were carried out for all derivative transactions and the company conducts accounting based on hedging for all derivatives.

3.9. Credit facilities

Credit facilities are accounted in nominal values. The interest implying from credit facilities are accounted into the economic result for the accounting period with which they are linked. In accordance with Section 47(1) of the Decree, the company decided not to include the interest on credit facilities into the valuation of fixed assets and technical betterment.

Short-term credit facility shall include also a part of a long-term credit facility, which is payable within one year from the date of the Financial Statements.

The company did not have any bank credit facility in the course of 2017.

3.10. Provisions

Provisions are intended for covering liabilities or costs whose nature is clearly defined and for which it is, as at the Balance Sheet Day, either probable that they will occur, or it is sure that they will occur, but their amount or the time of their arising are not sure.

Provision for indemnification in virtue of occupational accidents and diseases of some former employees is formed on the basis of statistical evaluation of available historical data at an amount of the current value of expected future payments on the basis of claims arising till the date of the Financial Statements.

Provisions for remunerations of managerial staff members and members of the corporate bodies of the company, incl. public health and social security insurance are created if the legal entitlement to their payment does not depend only on the carrying out of the work in the accounting period but on fulfilment of other conditions, i.e. approval by a responsible person or by a corporate body of the company.

Provisions for staff benefits are created in virtue of employment anniversaries, on retirement and for unused time off with wage compensation according to the Collective Agreement. On the basis of the current wording of the Collective Agreement, the provisions in virtue of employment anniversaries and on retirement are created for 2017 – 2020 and registered in the discounted value.

Provisions for repairs of fixed tangible assets are created for important repairs implying from extraordinary events previous events and going beyond the framework of ordinary repairs, for which an outflow of financial means in the subsequent accounting periods is presupposed, in the link to adherence to other binding legal regulations (Public Procurement Act, etc.).

Provisions for future repairs of fixed tangible assets, which are created due to accidents and damage are fully or partly covered by creation of contingencies for provided insurance benefits.

Other provisions are created in virtue of prudence, for liabilities arising on the basis of previous events and for settlement of liabilities, which could mean an outflow of financial means, e.g. in connection with litigations.

3.11. Financial leasing

Financial leasing includes acquisition of fixed tangible assets in the manner during which the ownership of the assets is transferred, after the lapsing of the agreed time period of the use of the assets by the user for consideration, from the owner to the user and the user pays payments for the acquisition within the framework of the costs until the transfer of the ownership right. In 2017, the company did not have any property acquired by way of financial leasing with subsequent purchase.

3.12. Conversions of figures in foreign currencies to the Czech currency

The accounting of the exchange rate differences is carried out according to the Decree and Czech Accounting Standards for Entrepreneurs.

The assets and liabilities, expressed in a foreign currency, are converted to the Czech currency by using the daily exchange rate of the bank within the meaning of applicable regulations. The foreign exchange treasury uses the quarterly fixed exchange rates which are determined as at the 1st day of the corresponding year quarter according to the exchange rate of the Czech National Bank.

Within the framework of the monthly Financial Statements, conversion is made for foreign exchange bank accounts to Czech currency according to the exchange rate of the last day of the month.

The assets and liabilities in a foreign currency are converted as at the date of the Financial Statements according to the applicable exchange rate announced by the Czech National Bank as at that date and the exchange rate differences found out are accounted according to their nature into costs or incomes.

3.13. Taxes

3.13.1. Tax depreciation of fixed assets

A straight-line method is used for the purpose of calculation of tax depreciation. Tax depreciation of fixed tangible and intangible assets was applied in accordance with applicable legal regulations.

3.13.2. Deferred tax

The deferred tax calculation is based on the liability method built upon the balance sheet approach. The term “liability method” means the procedure when the calculation uses the income tax rate valid in the future time periods. The balance sheet approach means that the liability method is based on transitional differences which are differences between the tax base of assets or liabilities, and the amount of the assets, or liabilities stated in the Balance Sheet. The tax base of assets or liabilities is the value of these assets or liabilities exercisable in the future for tax purposes.

Deferred tax liabilities and receivables are mutually set off and in the Balance Sheet they are stated in the net value.

3.14. Kompenzace

In accordance with the Regulation (EC) No 1370/2007 of the European Parliament and of the Council, which entered into force on 3 December 2009, the company accounts about compensation. Compensation is understood as the price for public service, which is to cover the difference between the costs spent in connection with fulfilment of the public service obligation and the incomes arising in connection with the public service obligation and to ensure reasonable profit, which is to enable creation of the company's own resources for the financing of renewal of assets and other investments focused on the increase in the quality of services agreed by the Client. The Public Service Contract made between the company and HMP determined the method of calculation of the compensation, the methodology for calculation of a reasonable profit and the manner of risk distribution.

In the follow-up to contractual arrangements contained in the, the company accounts, in the course of the year, about the advance payment received for compensation and about the contingency entries of the operational part of the compensation at an amount of the necessity planned, which is to be cancelled at the end of the year. Within the framework of the Annual Financial Statements, the receivable in virtue of the public service obligation is accounted, and so is a reasonable profit within the framework of the compensation. At the same time the received advance payment is cleared and the receivable amount is financially settled. The compensation amount is accounted in incomes as revenues from sales of the company's own products and services and in the Profit and Loss Statement it is monitored on a separate line – see point 4.1.1.

3.15. Subsidies

Subsidies for settlement of costs are accounted in other operational incomes in the time and material context with the accounting of costs for the specified purpose.

Subsidies for acquisition of fixed intangible and tangible assets and technical betterment reduce their purchase price or the company's own costs at the moment of capitalisation. As at the Balance Sheet day the use of the subsidies will be accounted to the fixed assets that are not capitalised yet.

3.16. Incomes

Incomes from transport are accounted into the time period in which the transport services were provided.

The other incomes are accounted into the time period with which they are associated in terms of material and time.

Incomes and revenues concerning future periods are subject to accruals and deferrals.

Accruals and deferrals of incomes from the rights to use established on the assets of the company are as follows:

Purchase cost of the right to use	Estab-lishment time period	Accruals and deferrals
Up to CZK 40,000	Definite	Not carried out due to an insignificant amount
	Indefinite	Income of the given period
From CZK 40,000 to CZK 10,000,000	Definite	According to the time specified in the contract for which the right of use is established
	Indefinite	Income of the given period
More than CZK 10,000,000	Definite	According to the time specified in the contract for which the right of use is established
	Indefinite	The incomes are divided by using the proportional part according to the remaining lifetime of the real property asset to which the right to use has been established

3.17. Use of estimations

The drawing up of the Financial Statements requires the company to use the estimations and presumptions affecting the stated values of assets and liabilities as at the date of the Financial Statements and the stated amount of incomes and costs for the time period monitored. The company determined these estimations and presumptions on the basis of all relevant information available to it. Nevertheless, as implies from the substance of the estimation, the actual values in the future may differ from these estimations.

3.18. Extraordinary costs and incomes

These entries contain incomes and costs from operations which are absolutely extraordinary with regard to ordinary activities of the accounting unit, as well as incomes and costs from extraordinary events occurring on a random basis. In 2017 the company does not

register any extraordinary costs and incomes. Separate accounting and statement of extraordinary costs and incomes in the groups 58 and 68 has been cancelled since 1 January 2016 on the basis of an amendment to the Decree no. 500/2002 Coll. The extraordinary costs and incomes are stated, depending on their nature, as operational or financial costs and incomes. The are broken down into the entries: Other operational incomes, Other operational costs, Other financial incomes and Other financial costs. This means that only operational and financial results of economic activities remain in the Profit and Loss Statement.

3.19. Accounting of donations accepted

Donations accepted are accounted as Other operational incomes – account group 64 or Other financial incomes (donations accepted in the form of financial assets) – account group 66.

In the case that an accepted donation is exempted from the income tax, this income is to be excluded in the tax return as a non-tax income.

3.20. Registration of loans in the off-balance records

In the DP conditions, the subject matter of a loan, if DP is on the borrower's side, is registered through off-balance records on the account 76201 Accepted loans. There are registered borrowed assets whose valuation is in an individual case CZK 40,000 and more.

3.21. Changes in the manner of valuation, procedures of depreciation and procedures of accounting against the previous accounting period

Change in the method of processing of adjustments to receivables
With regard to the change in processes in the field of monitoring and life cycle of receivables at DPP, a new program for the processing of adjustments to receivables was created. The creation of adjustments to receivables is always related to the net value of the receivable owed by one business partner. The adjustments to receivables valid

till 31 December 2013 were dissolved and created again in a new program, however according to the original chart of creation with the respecting of the partner's balance. The adjustments to receivables payable after 1 January 2014 were created pursuant to the Act no. 593/1992 Coll. on provisions, and according to the Company Guideline "Accounting chart, accounting procedures and depreciation plan".

3.22. Overview of financial flows

The overview of financial flows was drawn up by using an indirect method. The financial equivalents represent a short-term liquid assets, which can be transferred easily and immediately to the cash amount which is known in advance. Financial means and financial equivalents can be analysed as follows:

(The figures are stated in CZK 1,000)

Financial equivalent	31. 12. 2017	31. 12. 2016
Treasury cash and cash in transit, valuables	44 634	47 083
Bank accounts and cash in transit	2 473 188	3 404 017
Short-term securities and participations	3 169 592	2 000 000
Financial means and financial equivalents, total	5 687 414	5 451 100

Financial flows from operational, investment and financial activities are stated in the overview of financial flows in a non-compensated way.

The entry entitled "short-term securities and participations" contains short-term highly liquid bills of exchange, for more information see point 4.7.6.

3.23. Consolidated Financial Statements

The Act no. 563/1991 Coll. on accounting, as amended by the Act no. 221/2015 Coll. with effectiveness from 1 January 2016, newly introduces categorisation of consolidation groups in Section 1c. It implies from individual criteria that The Prague Public Transport Company, a.s. fulfils the criteria of a large group of accounting units.

The ratio of the sum of consolidated companies to the consolidating company is, however, not significant in individual criteria and the company therefore used provisions of Section 22a(3) of the above mentioned Act.

The Prague Public Transport Company, a.s., has always used this provision of the Accounting Act so far, for the reason that not only are the consolidated companies insignificant, both individually and as a whole, for the total values and mission of DP, but conversely, there would be a presentation distortion of economic indicators of DP, because they would contain also the values of the companies with an absolutely different mission.



4. Complementary data to the balance sheet and profit and loss statement

4.1. Specifics of the company

4.1.1. Structure of statements

In connection with the amendment to the Act no. 563/1991 Coll., on Accounting, and subsequent amendment to the Decree no. 500/2002 Coll., for entrepreneurial entities, there was, from 1 January 2016, a change in the structure in arrangement and marking of the entries of the Balance Sheet and Profit and Loss Statement. The Balance Sheet and Profit and Loss Statement state items in the order as provided for in the Decree. Furthermore, DP provides, in these statements, other sub-entries for the reason of higher comprehensibility and

documentary capability regarding the accounting unit. The matter concerns the following data:

Profit and Loss Statement

I.	I. 1.	Revenues for the sale of the company's own products and services
	1.1.	Revenues for fare
	1.2.	Compensation for the public service obligation
	1.3.	Other revenues

4.2. Fixed intangible assets

Purchase cost (DNM = Fixed intangible assets)

[The figures are stated in CZK 1,000]

	State as at 31. 12. 2015	Increments	Decrements	State as at 31. 12. 2016	Increments	Decrements	State as at 31. 12. 2017
Software	941 869	57 263	13 224	985 908	36 881	5 178	1 017 611
Other copyrights	10 082	0	0	10 082	496	3 000	7 578
Other DNM	153 445	0	33 787	119 658	4	0	119 662
Unfinished DNM	343	74 931	70 974	4 300	35 736	30 596	9 440
Total	1 105 739	132 194	117 985	1 119 948	73 117	38 774	1 154 291

Adjustments

[The figures are stated in CZK 1,000]

	State as at 31. 12. 2015	Increments	Decrements	State as at 31. 12. 2016	Increments	Decrements	State as at 31. 12. 2017
Software	877 249	42 214	13 231	906 232	54 657	5 090	955 799
Other copyrights	10 082	0	0	10 082	44	3 000	7 126
Other DNM	137 544	444	33 786	104 202	346	0	104 548
Adjustment to unfinished DNM	0	0	0	0	0	0	0
Total	1 024 875	42 658	47 017	1 020 516	55 047	8 090	1 067 473

Residual value

[The figures are stated in CZK 1,000]

	State as at 31. 12. 2016	State as at 31. 12. 2017
Software	79 676	61 812
Other copyrights	0	452
Other DNM	15 456	15 114
Unfinished DNM	4 300	9 440
Total	99 432	86 818

Among the most significant DNM increments it is necessary to mention the Servisdesk Implementation, purchase of application SW for a comprehensive safety system, update of SW for time tables and purchase of a new personnel and wage system.

The most significant DNM decrements include the elimination of the Licence for audio and visual spots.

4.2.1. Fixed intangible assets created by the company's own activities

No fixed intangible assets were created by the company's own activities in 2017.

4.2.2. Assets which are not included in the Balance Sheet

Intangible assets monitored

in the off-balance records: [The figures are stated in CZK 1,000]

Type of assets	Purchase cost	
	2017	2016
Low-value intangible assets	10 949	11 171
Fixed assets purchased by using subsidies	124 341	120 523
Total	135 290	131 694

In case of the assets acquired from subsidies the matter concerns fixed assets whose purchase cost was reduced by the subsidy provided according to point 3.15 and whose value therefore is not depreciated into the costs of the company.

4.3. Fixed tangible assets

Purchase cost of fixed tangible depreciated and non-depreciated assets (The figures are stated in CZK 1,000)

	State as at 31. 12. 2015	Increments	Decrements	State as at 31. 12. 2016	Increments	Decrements	State as at 31. 12. 2017
Plots of land	3 374 876	1 325	1 087	3 375 114	65 370	3 827	3 436 657
Buildings	57 806 581	519 785	94 982	58 231 384	1 348 164	268 348	59 311 200
Tangible movable assets	51 895 176	3 753 554	863 395	54 785 335	2 586 147	310 713	57 060 769
- Plant and machinery	11 578 374	436 723	141 083	11 874 014	726 046	90 318	12 509 742
- Transport means	40 306 572	3 316 416	721 993	42 900 995	1 859 035	220 177	44 539 853
- Inventory	10 230	415	319	10 326	1 066	218	11 174
Other DHM – rights to use	5 877	20 537	0	26 414	2 668	0	29 082
Other DHM	38 128	0	161	37 967	0	0	37 967
Unfinished DHM	1 615 019	4 660 157	4 690 201	1 584 975	4 231 630	4 577 907	1 238 698
Total	114 735 657	8 955 358	5 649 826	118 041 189	8 233 979	5 160 795	121 114 373

Adjustments a adjustment entries to fixed tangible depreciated assets (The figures are stated in CZK 1,000)

	State as at 31. 12. 2015	Increments	Decrements	State as at 31. 12. 2016	Increments	Decrements	State as at 31. 12. 2017
Buildings	18 558 525	1 066 960	79 073	19 546 412	1 113 733	140 790	20 519 355
Tangible movable assets	25 925 775	2 036 227	905 238	27 056 764	2 097 938	368 757	28 785 945
- Plant and machinery	9 319 985	400 876	140 567	9 580 294	438 276	102 485	9 916 085
- Transport means	16 548 237	1 588 837	716 819	17 420 255	1 615 070	219 672	18 815 653
- Inventory	10 020	132	319	9 833	284	218	9 899
Other DHM – rights to use	2 416	4 915	0	7 331	6 926	0	14 257
Adjustment to transport means	47 533	46 382	47 533	46 382	44 308	46 382	44 308
Adjustment to buildings	0	0	0	0	30 819	0	30 819
Total	44 486 716	3 108 102	984 311	46 610 507	3 218 597	509 547	49 319 557

Residual value of fixed tangible depreciated and non-depreciated assets

(The figures are stated in CZK 1,000)

	State as at 31. 12. 2016	State as at 31. 12. 2017
Plots of land	3 375 114	3 436 657
Buildings	38 684 972	38 791 845
Separate movable assets	27 728 571	28 274 824
- Plant and machinery	2 293 720	2 593 657
- Transport means	25 434 358	25 679 892
- Inventory	493	1 275
Other DHM - rights to use	19 083	14 825
Other DHM	37 967	37 967
Unfinished DHM	1 584 975	1 238 698
Total	71 430 682	71 794 816

The most important increments are recorded for buildings and transport means where the 15T trams were capitalised at an amount of CZK 1,791,978,000; in case of buses this amount was CZK 22,885,000. The most important entries for buildings are especially capitalisation of tramways (projects known as Na Slupi, Badeniho, Myslbekova, Milady Horákové, Svatovítská, Evropská, Partyzánská, U Vltavy, Ženklova, Sokolovská, Balabenka, Klapkova, Obratiště Špejchar, Prašný most, LD Petřín, track system of the Kobylisy depot) at an amount of CZK 738,060,000, renovation of the Jinonice and Palmovka stations at an amount of CZK 155,524,000 and cable lines and contact line (trolley) network at an amount of CZK 154,838,000.

The most important decrements at transport means are caused by the sale and physical disposal of buses at a purchase price of CZK 66,353,000 at a zero residual price, sale, physical disposal and donation of trams at a purchase price of CZK 114,588,000 (at a residual price of CZK 504,000) and physical disposal of escalators at a purchase price of CZK 29,171,000 at a zero residual price.

As at 31 December 2017, there were created adjustments to transport means at an amount of CZK 44,308,000 and to buildings at an amount of CZK 30,819,000.

The balance of the account of unfinished fixed assets (DHM) at an amount of CZK 1,238,698,000 consists especially of capital expenditure projects - through introduction of the comprehensive safety system in metro at an amount of CZK 250,448,000, construction of the 1st section of the D Metro Line at an amount of CZK 223,292,000, renovation of the escalators in the Anděl station vestibule at an amount of CZK 77,921,000 and renovation of the platform in the Muzeum A metro station at an amount of CZK 49,616,000.

The balance of the advance payment for DHM as at 31 December 2017 amounts to CZK 861,614,000. The most important entries include advance payments for the purchase of buses from SOR Libchavy spol. s r.o. at an amount of CZK 423,128,000, for introduction of the comprehensive safety system in metro at AŽD Praha s.r.o. at an amount of CZK 364,285,000 and for the purchase of trams at Škoda Transportation, a.s. at an amount of CZK 44,712,000.

The company leases:

- **Real property assets, non-residential premises** in the buildings of depots and garages, in metro depots, metro stations, on tramway loops, on public transport stops, etc., and free plots of land out of these buildings,
- **Areas on both movable and real property assets** in particular for advertising activities, for the laying of optical cables at metro stations, for operation of the telecommunication system in metro, for placement of antennas, telecommunication equipment, etc.,
- **Movable assets**, e.g. freight lifts at metro stations and equipment of the leased real property assets.

4.3.1. Fixed assets encumbered with pledges

As at 31 December 2017, a right to use is established on 660 real property assets, by way of a contract on establishment of the right

to use. In most cases the matter concerns enabling of access for operation of the corresponding equipment in the metro premises, entrances into buildings, etc.

As at 31 December 2017, the company does not have any liabilities covered by the Pledge Agreement.

4.3.2. Fixed tangible assets created by the company’s own activities

The company’s own activities were focused on renovations of tramways, traction lines and renovations of the KT8D5 trams. For the method of valuation see point 3.1.

4.3.3. Assets leased by way of financial leasing

As at 31 December 2017, DP does not register any assets leased by way of financial leasing.



4.3.4. Operational leasing

In 2017, the company stated operational leasing from AUTOSTYL a.s. at a price of the annual lease of CZK 2,917,000 and other lease of cars from the firms:

- UNITESTA, spol. s r.o. at an amount of CZK 499,000,
- EvoBus Česká republika s.r.o. at an amount of CZK 453,000,
- SOR Libchavy spol. s r.o. at an amount of CZK 1,061,000.

Besides this, comprehensive transport services have been provided to DP on the basis of a contract on provision of services of the intra-company transport supplier (KARIR CZ s.r.o.) since August 2011. These services consist in provision of the leased vehicles in an annual volume of CZK 34,842,000 for the constant rental for 2017, assurance of the transport services with a driver by means of vehicles of the transport service in an annual amount of CZK 22,004,000 for 2017 and assurance of other services through any vehicles other than transport service vehicles.

4.3.5. Assets which are not included in the Balance Sheet

Tangible assets monitored in the off-balance records: (The figures are stated in CZK 1,000)

Type of assets	Purchase cost	
	2017	2016
Low-value tangible assets	613 447	605 614
Fixed assets acquired from subsidies	64 153 659	63 213 540
Total	64 767 106	63 819 154

The capitalisation of the capital expenditure project – Metro A Route Extension – continued in 2017. The value of the capitalised assets which were acquired from the subsidy is in the value of CZK 951,421,000.

At the same time the subsidised assets at an amount of CZK 14,573,000 were eliminated from the off-balance records in 2017 before execution of the technical betterment. This concerned especially tramways and a power supply system.

4.4. Fixed financial assets

4.4.1. Participations in controlled and controlling entities

Company name	2017		2016	
	Number of securities	Share in the registered capital in %	Number of securities	Share in the registered capital in %
Pražská strojírna a.s.	196	100	196	100
Střední průmyslová škola dopravní, a.s.	22	100	22	100

2017 (The figures are stated in CZK 1,000)

Company name	Purchase cost	Valuation difference	Nominal value	*Equity of the company	*Accounting economic result	Financial incomes	Shareholding value
Pražská strojírna a.s.	185 614	-4 310	157 594	181 304	22 876	0	181 304
Střední průmyslová škola dopravní, a.s.	11 322	16 447	21 930	27 769	209	0	27 769
Total	196 936	12 137	179 524	209 073	23 085	0	209 073

* The figures are data found out as at 23. 1. 2018.

2016 (The figures are stated in CZK 1,000)

Company name	Purchase cost	Valuation difference	Nominal value	*Equity of the company	*Accounting economic result	Financial incomes	Shareholding value
Pražská strojírna a.s.	185 614	7 947	157 594	193 561	1 572	0	193 561
Střední průmyslová škola dopravní, a.s.	11 322	16 238	21 930	27 560	5	0	27 560
Total	196 936	24 185	179 524	221 121	1 577	0	221 121

* The figures are data found out as at 23. 1. 2017.



4.4.2. Participations in accounting units – essential influence

2017 [The figures are stated in CZK 1,000]

Company name	Purchase cost	Valuation difference	Nominal value	*Equity of the company	*Accounting economic result	Financial incomes	Shareholding value
RENCAR PRAHA, a.s.	840	30 567	840	112 168	25 275	0	31 407
Total	840	30 567	840	112 168	25 275	0	31 407

* The figures are data found out as at 23. 1. 2018.

2016 [The figures are stated in CZK 1,000]

Company name	Purchase cost	Valuation difference	Nominal value	*Equity of the company	*Accounting economic result	Financial incomes	Shareholding value
RENCAR PRAHA, a.s.	840	23 539	840	87 068	20 615	0	24 379
Total	840	23 539	840	87 068	20 615	0	24 379

* The figures are data found out as at 23. 1. 2017.

The number of securities was 84 shares and the total shareholding in the registered capital was 28 %.

4.5. Inventory [The figures are stated in CZK 1,000]

	as at 31. 12. 2017	as at 31. 12. 2016
Spare parts	264 251	262 788
Auxiliary material	119 395	128 764
Clothing and protective equipment	36 800	27 726
Fuel materials, fuels	23 594	26 633
Other materials	10 953	4 441
Material in stock – standby storage facility	129 847	0
Material in progress	293	564
Adjustments	-14 568	-7 842
Material, total	570 565	443 074
Unfinished production and semi-finished products	8 151	10 671
Goods	1 363	962
Total value	580 079	454 707

The total increase in the financial volume of stock inventory of the company is a consequence of:

- Increase in the item referred to as “Other materials” which was caused by an increase in stock of tyre sets for the reason of introduction of a new methodology for creation of these sets, stock management and real consumption in the time period with which these facts are associated
- Newly monitored items of the states of standby storage facilities when the methodology of registration of inventory necessary for operational assurance of operation in the case of extraordinary events was changed for the reason of stock management optimisation
- Increase in the item referred to as “Clothing and protective equipment” for the reason of takeover of equipment service from an external supplier for assurance of necessary inventory

The fuel inventory oscillates due to changes in the current purchase price.

The OPP (adjustments) increase occurred for the reason of the inventory state found out. After the review of the state, length and storage and with regard to the presupposed non-usability and minimum merchantability it was decided about the disposal of inventory by sale or physical disposal. The amount of 14,568,000 consists of the OPP to clothing parts. spare parts and protective equipment.

4.6. Long-term receivables

The entry “long-term receivables” stated, as at 31 December 2017, a balance of CZK 218,151,000, as at 31 December 2016 these receivables amounted to CZK 103,306,000.

The increase in the long-term receivables occurred in consequence of approval of the subsidy claims for acquisition of fixed assets.

A significant entry of long-term receivables consists especially of advance payments provided to the company “ŠKODA TRANSPORTATION a.s.” for unplanned repairs according to the contract on maintenance of vehicles of Prague Metro “81-71M” through Full Service at an amount of CZK 118,206,000.

4.7. Short-term receivables

4.7.1. Age structure of receivables from business relations (The figures are stated in CZK 1,000)

Year	Before the due date	Overdue				Total overdue	Gross total
		0–180 days	181–365 days	1–5 years	5 and more years		
2017	231 772	9 169	1 628	7 829	26 521	45 147	276 919
2016	161 748	4 565	1 163	28 752	16 259	50 739	212 487

(The figures are stated in CZK 1,000)

Year	Adjustments	Net total	Surcharges *	Adjustments surcharges	Net total including surcharges
2017	20 962	255 957	929 564	817 587	367 934
2016	46 266	166 221	831 176	756 953	240 444

* The entry “Surcharges” includes receivables from surcharges to the fare, receivables for fare and receivables from postage fees for recovery of surcharges to the fare. These are especially overdue receivables.

Among the most important receivables it is necessary to mention receivables owed by GLOBDATA, a.s. at an amount of CZK 78,010,000 z in virtue of assignment of receivables for SMS tickets, and also receivables owed by Pražská strojírna, a.s. for revenues from the sale of rails at an amount of CZK 26,301,000.

As at 31 December 2017, there was a significant decrease in adjustments to receivables from business contacts for the reason of a change in the method of processing of adjustments to receivables.



4.7.2. Receivables owed by companies within the group

Short-term receivables from business relations and short-term advance payments provided (The figures are stated in CZK 1,000)

Company name	State as at 31. 12. 2017	State as at 31. 12. 2016
HMP	3 760	2 860
KORMAK Praha a.s.	284	0
Operátor ICT, a.s.	5	1 392
Pražská energetika, a.s.	0	18 224
Pražská plynárenská Distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	4 422	4 422
Pražská plynárenská Servis distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	91	0
Pražská strojírna a.s.	29 230	33 044
Pražská teplárenská a.s.	2	5
Pražská vodohospodářská společnost a.s.	728	698
PREdistribuce, a.s.	23 703	46 717
RENCAR PRAHA, a.s.	227	230
Střední průmyslová škola dopravní, a.s.	277	429
Technická správa komunikací hl. m. Prahy, a.s.	1 210	0
Total receivables from business relations and advance payments provided to companies within the group	63 939	108 021
Short-term receivables from business relations and advance payments, total	1 258 409	1 142 725

4.7.3. Other short-term receivables

The entry “State – tax receivables” stated, as at 31 December 2017, a balance of CZK 325,666,000 and is formed of a receivable in virtue of excessive deduction of the Value Added Tax for the months of November and December 2017 at an amount of CZK 159,056,000 and accounted VAT on the input at received invoices obtained in January 2018, concerning fulfilment of 2017 in an amount of CZK 166,610,000. As at 31 December 2016, the entry stated a balance of CZK 340,631,000.

The short-term advance payments provided registered a decrease compared to 2016 especially for the reason of the clearing of advance payments for energy, reduction of prepayments within the framework of the PID as well as other prepayments.

Gross contingency accounts (active) stated, as at 31 December 2017, a balance at an amount of CZK 268,037,000, while as at 31 December 2016 the balance was CZK 214,380,000. An increase in the balance as at 31 December 2017 is caused in particular by the contingency for property insurance at an amount of CZK 44,450,000.

The entry “Other receivables” stated, as at 31 December 2017, a net balance of CZK 615,655,000, while as at 31 December 2016 the balance amounted to CZK 31,424,000. This entry consists especially of the clearing of receivables in virtue of the approved subsidy claim in a total amount of CZK 501,657,000 in the structure of the following projects:

- Air handling system in Jinonice, CZK 20,896,000
- Illumination in Dejvická, CZK 68,982,000

- Barrier-free entrance in Palmovka, CZK 23,789,000
- Air handling system in Skalka, CZK 36,218,000
- Stairs in Palmovka, CZK 19,549,000
- Stairs in Skalka, CZK 19,389,000
- Stairs in Anděl, CZK 84,706,000
- Stairs in Charles Square, CZK 83,608,000
- Stairs in Náměstí republiky Square, CZK 84,906,000
- Ventilation and heating in Háje, CZK 59,614,000

The entry “Other receivables” includes other receivables represented by actions against the Rencar and Euro AWK companies due to unjust enrichment for the use of the DPP property for advertising purposes without any legal title in a total value of CZK 169,328,000. Adjustments were created to these receivables (for Rencar at an amount of CZK 100 % and for EuroAWK at an amount of CZK 50 % of the balance sheet value of receivables).

4.7.4. Pledge right

The company did not have, as at 31 December 2017, any liabilities covered by a pledge agreement.

4.7.5. Compensation and subsidies

For 2017, the company stated, the economic result before taxation – profit amounting to CZK 2,347,389,000. The profit was realised as a direct consequence of compensation accounting (see point 3.14.). The costs spent in connection with the public service obligation are paid by way of compensation, which is accounted into incomes.

For getting familiar with and evaluation of financial and asset situations of the company it is necessary to emphasise that the company is receives compensation for public service obligation and significant volume of capital expenditure subsidies from various providers.

In 2017, the company received advance payments for compensation amounting to CZK 13,720,107,000 and from 2016 the balance of the advance payments for compensation was transferred at an amount of CZK 65,496,000. The operational part of the compensation was accounted into incomes according to the actual

amount of CZK 11,984,134,000 and a reasonable profit amounting to CZK 1,551,010,000. The balance of the advance payments as at 31. 12. 2017 amounted to CZK 250,459,000.

The final amount of compensation was in accordance with the applicable legislation and contractual arrangements approved by the Ropid organisation in representation of HMP.

In 2017, the company accounted subsidies for settlement of costs and for acquisition of fixed assets at an amount of CZK 163,879,000. In 2016 it was CZK 1,354,615,000.

Subsidies according to the purpose (The figures are stated in CZK 1,000)

Subsidies total		163 879
Subsidies for settlement of costs		98 138
Subsidies from the state budget		40 000
in Chap. 07: for civil protection (operation of the protection metro systems)	40 000	
Subsidies within the framework of the Prague Integrated Transport (“PID”)		58 138
Subsidies for the zone 0 – PID	39 280	
Subsidies from communities, for the zones 1, 2, PID	11 401	
Subsidies from the SK – Regional Authority – zones 1, 2	7 457	
Subsidies for purchase of fixed assets		65 741
Subsidies from the budget of the Capital City of Prague		65 741
42176 – Barrier-free measures	5 979	
42487 – Tramway (“TT”) Sídliště Barrandov – Holyně – Slivenec	7 026	
42495 – Barrier-free access to the Karlovo náměstí metro station	807	
42923 – Preparation of the 1 st operational section of the Metro D Line	51 801	
42493 – TT Divoká Šárka – Dědinská	128	



4.7.6. Short-term financial assets

The entry “short-term securities and participations” (other short-term financial assets) includes, as at the Balance Sheet day, the securities – corporate bills of exchange in the following structure:

- Purchased promissory notes from ČSOB, a.s. issued by the issuer “ČSOB Leasing a.s.” at the purchase price of CZK 1,500,000,000.
- Purchased bills of exchange from ČS a.s. issued by the issuer “Statutory City of Liberec” to the creditor “ČS a. s.” in a nominal value of CZK 1,669,592,000.

The promissory notes were purchased in accordance with the corporate strategy consisting in deposition of temporarily free financial means in order to minimise the impacts on the costs of the company in the form of new fees introduced by the bank institutions (resolution fund).

4.7.7. Accruals and deferrals (active)

The entry “Accrued costs” stated, as at 31 December 2017, a balance amounting to CZK 122,041,000, as at 31 December 2016 the balance

amounted to CZK 135,155,000. The balance of this entry is formed especially of:

- Dissolving of the invoiced first part of the total contractual price for services (ŠKODA TRANSPORTATION a.s.) at an amount of CZK 125,000,000. On the basis of the Agreement on Maintenance by Way of Full Service this amount is, for the term of validity of the Agreement, i.e. till 15 December 2020, subject to accruals and deferrals into costs. As at 31 December 2017, the remainder for accounting amounts to CZK 34,519,000,
- Dissolving of the invoiced first part of the total contractual price for services (Siemens, s.r.o.) at an amount of CZK 155,000,000. On the basis of the Agreement on Maintenance by Way of Full Service this amount is subject to accruals and deferrals into costs for the term of the Agreement, i.e. till 31 December 2019. As at 31 December 2017, the remainder for accounting amounts to CZK 28,182,000,
- Accruals and deferrals of the costs associated with the bill-of-exchange programme (interest and remunerations for arranging persons) at an amount of CZK 25,154,000.

4.8. Equity

Information on changes in equity

The equity of the company contains the accounts of the account groups 41, 42, including the economic result of the ordinary accounting period.

(The figures are stated in CZK 1,000)

Account	Registered capital	Other capital funds	Valuation differences from re-pricing of assets and liabilities	Changes in the equity	Other economic result	Retained profit of previous years	Unsettled loss of previous years	Economic result in the current period	Equity total
Initial balance as at 1 Jan. 2016	30 726 125	30 931 594	-284 363				-1 521 620	1 255 407	61 107 143
Changes with influence on total equity	0	0	0				0	0	0
Economic result of the current year	0	0	0				0	1 835 451	1 835 451
Subsidies for equity increase	0	0	0				0	0	0
Valuation of plots of land and buildings	0	-228	0				0	0	-228
Nat. val. of dif. from re-pricing of sec., etc.	0	0	4 793				0	0	4 793
Re-pricing of derivatives	0	0	115 268				0	0	115 268
Deferred tax to derivatives	0	0	-21 901				0	0	-21 901
Changes without influence on total equity	0	0	0				0	0	0
Allotment to the reserve fund	0	0	0				0	0	0
Settlement of loss from the reserve fund	0	0	0				0	0	0
Distribution of the economic result	0	0	0				1 255 407	-1 255 407	0
Correction within the equity	0	0	0				0	0	0
End balance as at 31 Dec. 2016	30 726 125	30 931 366	-186 203				-266 213	1 835 451	63 040 526
Changes with influence on total equity	0	0	0				0	0	0
Economic result of the current year	0	0	0				0	1 900 898	1 900 898
Equity increase – non-financial investment not registered in the Commercial register				513 370			0	0	513 370
Subsidies for equity increase	0		0				0	0	0
Valuation of plots of land and buildings	0	-595	0				0	0	-595
Nat. val. of dif. from re-pricing of sec., etc.	0	0	-5 020				0	0	-5 020
Re-pricing of derivatives	0	0	304 372				0	0	304 372
Deferred tax to derivatives	0	0	-57 831				0	0	-57 831

Changes without influence on total equity	0	0	0				0	0	0
Allotment to the reserve fund	0	0	0				0	0	0
Settlement of loss from the reserve fund	0	0	0				0	0	0
Change in the method – standby storage facility					84 700				84 700
Distribution of the economic result	0	0	0			1 569 238	266 213	-1 835 451	0
Correction within the equity	0	0	0				0	0	0
End balance as at 31 Dec. 2017	30 726 125	30 930 771	55 318	513 370	84 700	1 569 238	0	1 900 898	65 780 420

The Council of the Capital City of Prague, acting in the competence of the General Meeting, decided on 21 November 2017 about the increase in the DPP registered capital by means of a non-financial deposit by an amount of CZK 513,370,000 to the total amount of

CZK 31,239,495,000. With regard to the fact that the registration into the Commercial Register was not made by the end of the year, we register this increase on the account 41901 Equity increase not registered in the Commercial Register.

4.9. Provisions

(The figures are stated in CZK 1,000)

	Balance as at 1 Jan. 2016	Creation	Drawing and cancellation of provisions	Balance as at 31 December 2016	Creation	Drawing and cancellation of provisions	Balance as at 31 December 2017
Provision for annuities	5 144	643	1 626	4 161	256	1 226	3 191
Provision for jubilees, retirement, sick days	46 774	85 277	46 774	85 277	26 014	23 886	87 405
Provision for co-participation at 14T trams	11 600	0	11 600	0	0	0	0
Provision for repairs of fixed assets	124 100	101 586	98 866	126 820	0	32 120	94 700
Provision for litigations	140 058	58 516	8 793	189 781	72 891	11 835	250 837
Provision for remunerations	2 614	6 983	2 614	6 983	47 527	43 163	11 347
Provision for repairs of 14T trams	3 253	0	0	3 253	0	0	3 253
Provision for contractual interest	232 507	0	232 507	0	0	0	0
Other provisions	20 000	110 000	0	130 000	0	69 227	60 773
Provisions total	586 050	363 005	402 780	546 275	146 688	181 457	511 506

As at 31 December 2017, the company stated a balance on the accounts registered on the line of the statement “Other provisions” for the reason of taking the risks, losses and possible future liabilities into consideration.

4.10. Bank credit facilities

In 2017 the company did not have any bank credit facility.

4.11. Long-term liabilities from business relations and long-term advance payments

The entry “Long-term liabilities from business relations” stated, as at 31 December 2017, a balance of CZK 556,165,000, as at 31 December 2016 it stated a balance of CZK 654,380,000.

In 2017 the company made premature repayment of receivables of Česká spořitelna, a.s. at an amount of CZK 572,403,000 arising in virtue of the assignment of receivables by Škoda Transportation a.s. for the delivery of the 15T trams.

Long-term advance payments accepted achieved, as at the Balance Sheet day (31 December 2017) an amount of CZK 23,217,000 (as at 31 December 2016 this amount was CZK 21,826,000). The matter concerns especially the advance deposits accepted.



The company does not have any long-term liabilities from business relations towards companies within the group.

4.12. Deferred tax

Deferred tax liability can be analysed as follows:

Deferred tax in virtue of: (The figures are stated in CZK 1,000)

	State as at 31. 12. 2017	State as at 31. 12. 2017
Fixed assets	4 776 071	4 346 887
Unpaid contractual fines and penalties	174 506	134 068
Adjustments to fixed assets	-14 274	-8 812
Adjustments to the inventory	-2 768	-1 490
Adjustments to receivables	-24 032	-1 118
Provisions	-97 186	-103 792
Unpaid social security and public health insurance levies	-1 628	-1 545
Derivatives	2 959	- 54 872
Total deferred tax liability	4 813 648	4 309 326

The increase in the deferred tax liability is caused especially by the difference in virtue of accounting and tax residual prices of depreciated fixed assets.

The deferred tax receivable in virtue of derivative transactions in 2016 was changed in 2017 to a deferred tax liability, which is caused by the change in fair value of hedging derivatives linked to PRIBOR due to the direct increase in the interest rates on the part of the Czech National Bank at the end of 2017.

From the viewpoint of prudence the deferred tax calculation in 2017 does not include the remaining amount of the non-exercised tax loss, which can be used in the following taxation periods because it is not possible to presuppose its use.

4.13. Short-term liabilities

4.13.1. Age structure of liabilities from business relations

(The figures are stated in CZK 1,000)

Year	Category	Before the due date	Overdue				Total overdue	Total
			0–180 days	181–365 days	1–5 years	5 and more years		
2017	Short-term	1 207 837	51 081	0	0	0	51 081	1 258 918
2016	Short-term	1 445 154	14 479	1 335	0	0	15 814	1 460 968

Overdue short-term liabilities were settled immediately after 1 January 2018, which means that as at the date of the drawing up of the Financial Statements DP does not register any overdue liabilities from 2017.

4.13.2. Short-term bills of exchange for payment

The most significant entry of short-term liabilities is the bill-of-exchange programme. The contract was signed on 28 June 2013 between DP and Česká spořitelna, a.s. and Československá obchodní banka, a.s. equally. The programme has been implemented on a gradual basis.

As at 31 December 2016, the entire volume was drawn, i.e. CZK 8,000 million, provided that in 2015 altogether CZK 800 million was repaid and in 2016 the second instalment was made, also at an amount of CZK 800 million and in 2017 the third instalment was made at an amount of CZK 800 million. The current volume of the bills of exchange as at 31 December 2017 amounted to CZK 5,600 million. The bills of exchange in a total value of CZK 5,600 million are payable on 19 March 2018, and the bill-of-exchange programme continues according to the contract in a quarterly cycle.

The bill-of-exchange programme is a short-term programme and was intended for the funding of the purchase of the 15 T For City trams.

4.13.3. Liabilities towards the companies within the group

Short-term liabilities from business relations and short-term advance payments accepted (The figures are stated in CZK 1,000)

Company name	State as at 31. 12. 2017	State as at 31. 12. 2016
HMP	73	7
Operátor ICT, a.s.	17	0
Pražská energetika, a.s.	18 625	2 862
Pražská plynárenská, a.s.	138	41
Pražská strojírna a.s.	16 347	14 627
Pražská teplárenská a.s.	1 034	1 469
Pražské služby, a.s.	740	3 282
PREdistribuce, a.s.	19 896	1 133
PREměření, a.s.	25	10
RENCAR PRAHA, a.s.	36 301	27 226
Střední průmyslová škola dopravní, a.s.	2 891	2 924
Technická správa komunikací hl. m. Prahy, a.s.	1	1
Total liabilities from business relations and advance payments towards companies within the group	96 088	53 582
Short-term liabilities from business relations and advance payments, total	1 555 806	1 740 985

4.14. Valid liabilities in virtue of social security, public health insurance levies and life insurance schemes, pension insurance, tax liabilities and subsidies

4.14.1. Liabilities in virtue of social security, public health insurance levies and life insurance schemes, pension insurance schemes and complementary pension insurance programmes
The amount of liabilities in virtue of social security levies and contribution to the state employment policy as at 31 December 2017 was CZK 136,737,000 (as at 31 December 2016 it was CZK 130,629,000).

The amount of liabilities in virtue of public health insurance levies as at 31 December 2017 was CZK 59,089,000 (as at 31 December 2016 it was CZK 56,305,000).

The amount of liabilities in virtue of pension scheme for employees as at 31 December 2017 was CZK 7,549,000 (as at 31 December 2016 it was CZK 6,332,000).

The amount of liabilities in virtue of life insurance scheme for employees as at 31 December 2017 was CZK 122,000 (as at 31 December 2016 it was CZK 132,000).

The amount of liabilities in virtue of complementary pension insurance programmes for employees as at 31 December 2017 was CZK 1,773,000 (as at 31 December 2016 it was CZK 909,000).

All liabilities are before the due dates.

4.14.2. Tax liabilities at locally competent financial authorities (The figures are stated in CZK 1,000)

	As at 31. 12. 2017	As at 31. 12. 2016
Individual (natural person) income tax	60 863	57 001
Road tax	140	135
Electricity tax	66	63
Real property acquisition tax	2 205	0
Total	63 274	57 199

All liabilities are before the due dates.

4.14.3. Subsidies
The balance of the entry “subsidies” as at 31 December 2017 amounted to CZK 943,890,000 and was formed of:

- Financial settlement of subsidies for 2017 with HMP at an amount of CZK 441,167,000,
- Approved claim of subsidy from the EU in a total amount of CZK 211,329,000 and from HMP in a total amount of CZK 147,931,000, especially for modernisation of escalators, illumination and air handling equipment in the Metro stations,
- HMP subsidy for acquisition of fixed assets for coverage of the costs of the capital expenditure project “Metro A Line (Dejvická – Motol)” at an amount of CZK 141,602,000,
- Liabilities from subsidies for settlement of PID operation costs at an amount of CZK 1,861,000.

4.15. Other short-term liabilities

The entry “Other liabilities” stated, as at 31 December 2017, a balance of CZK 19,806,000, as at 31 December 2016 the balance was CZK 301,369,000. This entry contains in particular:

Derivative financial instruments
The company agreed in the past with ČS and ČSOB several securing interest swaps for the securing of the interest rate risk of the bill-of-exchange programme, for the reason of its gradual drawing.

For individual transactions there were conducted hedging-based accounting which was effective at 100%. Within the framework of simplification of the records, consolidation was agreed upon with ČS and ČSOB for individual separate transactions into a new transaction by way of the merging of original derivative transactions under conforming general conditions.

The company thus determined the following interest rate swaps as securing derivatives:

- ČS derivative
 - Counterparty: Česká spořitelna, a.s.
 - Date of arrangement of the deal: 23 November 2016
 - Nominal value: CZK 4,502,970,000 (nominal value being reduced gradually)
 - Interest rate paid: 1.346%, quarterly
 - Collected interest payment: 3M Pribor, quarterly
 - Date of end: 20 December 2024
- ČSOB derivative
 - Counterparty: ČSOB, a.s.
 - Date of arrangement of the deal: 23 November 2016,
 - Nominal value: CZK 1,917,360,000 (nominal value being reduced gradually)
 - Interest rate paid: 1.727%, quarterly
 - Collected interest payment: 3M Pribor, quarterly
 - Date of end: 20 December 2024

The secured items for both the derivatives are interest payments from the bills of exchange issued within the framework of the bill-of-exchange programme made with ČS and ČSOB on 28 June 2013 up to the maximum limit for the corresponding time period with the due date 20 January 2024 linked to Pribor.

The company thus classified the above stated transactions as hedging of the future financial flows, when the hedging interest-bearing derivatives are valued, as of the Balance Sheet day, with fair value and the fair value is accounted on the account of valuation differences in the equity of the company.

Přehled derivátových finančních transakcí: (The figures are stated in CZK 1,000)

	Fair value (liability) as at 31 December 2017	Fair value (liability) as at 31 December 2016
Swaps to the bill-of-exchange programme II - ČS	-25 778	174 481
Swaps to the bill-of-exchange programme II - ČSOB	11 430	116 645
Total	-14 348	291 126

The significant decrease as at 31 December 2017 is caused in particular by a change in fair value of hedging derivatives linked to PRIBOR due to the direct increase in interest rates on the part of the Czech National Bank at the end of 2017.

Incomes and costs of derivative transactions

Incomes (The figures are stated in CZK 1,000)

	2017	2016
End of deals – COLLAR ČS and ČSOB	0	0
End of deals – forward	0	0
Total	0	0

Náklady (The figures are stated in CZK 1,000)

	2017	2016
Costs of derivative transactions – commodities	0	27 150
Costs of derivative transactions – other	67 147	185 834
Total	67 147	212 984

The significant decrease in costs of derivative transactions was caused especially by a change in the position of hedging derivatives in a direct link to their fair value.

4.16. Accruals and deferrals (passive)

The entry stated, as at 31 December 2017, a balance of CZK 724,425,000, as at 31 December 2016 the balance was CZK 796,432,000.

The balance is formed especially of the account entitled “deferred incomes” (CZK 706,228,000), where the largest item is accruals and deferrals of revenues from season tickets at an amount of

CZK 671,536,000 and accruals and deferrals of incomes implying from provided rights to use at an amount of CZK 25,352,000. Another important entry is formed of “accrued expenses” (CZK 18,197,000), where the largest part consists of accruals and deferrals relating to mandatory and accident insurance at an amount of CZK 8,408,000.

4.17. Incomes from current activities according to main activities

Incomes from current activities according to main activities (The figures are stated in CZK 1,000)

	2017	2016
Revenues for the sale of the company's own products and services total	18 594 271	17 580 169
in which:		
Revenues for fare of regular transport	4 365 273	4 257 730
Compensation for the public service obligation	13 535 144	12 666 127
Other revenues	693 854	656 312
of which:		
Lease	298 979	283 001
Incomes from surcharges to fare	291 663	326 868

The most important entry of Revenues for the sale of the company's own products and services is compensation for the public service obligation amounting to CZK 13,535,144,000.

Another important entry is formed of revenues for fare of regular transport. In comparison with 2016, there was a decrease in revenues from regular transport fare (without surcharges to the fare) for 2017 by CZK 107,543,000, i.e. by 2.53 %.

Revenues for other services include revenues for other activities, in particular for the lease of plots of land, buildings and services associated therewith, repairs and maintenance of transport means, passing of energy, for the lease of areas on movable assets, revenues from irregular transport, revenues for medical services, etc.

4.17.1. Other incomes realised with related entities

2017 (The figures are stated in CZK 1,000)

Entity	Relation to the company	Inventory	Services	Deferred incomes	Other	Total
HMP	parent company	0	12 926	0	4 992	17 918
KORMAK Praha a.s.	another company	0	497	0	0	497
Operátor ICT, a.s.	affiliated company	0	1 116	0	0	1 116
Pražská energetika, a.s.	another company	0	1 268	8	0	1 276
Pražská plynárenská Distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	2 156	0	1	2 157
Pražská plynárenská Servis distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	878	0	0	878
Pražská strojírna a.s.	subsidiary	24 432	730	0	0	25 162
Pražská teplárenská a.s.	another company	0	1 702	0	30	1 732
Pražská vodohospodářská společnost a.s.	affiliated company	0	3 813	0	0	3 813
Pražské služby, a.s.	affiliated company	0	4 889	0	50	4 939
PREdistribuce, a.s.	another company	0	2 001	19	286	2 306
PREměření, a.s.	another company	0	433	0	0	433
RENCAR PRAHA, a.s.	subsidiary	20	49 016	0	49	49 085
RPC, a.s.	another company	0	0	0	1	1
Střední průmyslová škola dopravní, a.s.	subsidiary	0	5 052	0	0	5 052
Technická správa komunikací hl. m. Prahy, a.s	affiliated company	0	2 235	0	0	2 235
TERMONTA PRAHA a.s.	another company	0	1 407	0	0	1 407
Total		24 452	90 119	27	5 409	120 007

Entity	Relation to the company	Inventory	Services	Deferred incomes	Other	Total
HMP	parent company	0	8 761		10	8 771
KORMAK Praha a.s.	another company	0	20		0	20
Operátor ICT, a.s.	affiliated company	0	1 176	113	2	1 291
Pražská energetika, a.s.	another company	0	1 260	8	0	1 268
Pražská plynárenská Distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	122		15	137
Pražská plynárenská Servis distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	154		0	154
Pražská strojírna a.s.	subsidiary	21 380	0		0	21 380
Pražská teplárenská a.s.	another company	0	150		18	168
Pražská vodohospodářská společnost a.s.	affiliated company	0	3 633		0	3 633
Pražské služby, a.s.	affiliated company	0	4 854		0	4 854
PREdistribuce, a.s.	another company	0	1 403	17	28	1 448
PREměření, a.s.	another company	0	501		0	501
RENCAR PRAHA, a.s.	subsidiary	9	46 348		1 778	48 135
Rozvojové projekty Praha, a.s.	affiliated company	0	45		0	45
Střední průmyslová škola dopravní, a.s.	subsidiary	0	4 797		0	4 797
Total		21 389	73 224	138	1 851	96 602

Entity	Relation to the company	DHM	
		Accounting value	Sales price
HMP	parent company	10	9
RPC, a.s	another company	2 151	8 544
Total		2 161	8 553

Entity	Relation to the company	DHM	
		Accounting value	Sales price
HMP	parent company	111	111
Pražská teplárenská a.s.	another company	0	3
Total		111	114

Entity	Relation to the company	DHM	DNM
HMP	parent company	5	0
PREdistribuce, a.s.	another company	12	0
RPC, a.s.	another company	686	0
Total		703	0

Entity	Relation to the company	DHM	DNM
Pražská plynárenská Distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	236	0
Pražská teplárenská a.s	another company	25	0
PREdistribuce, a.s.	another company	172	0
Total		433	0

4.18. Consumed purchases [The figures are stated in CZK 1,000]

	2017	2016
Energy, gas, heat	910 790	951 616
Material	1 043 483	1 061 077
Diesel oil, oil, lubricants, coolant, petrol	689 765	624 812
Clothing and protective equipment	47 483	52 225
Low-value tangible assets	35 493	32 834
Other	17 079	16 999
Total	2 744 093	2 739 563

4.18.1. Purchases realised with related entities

2017 [The figures are stated in CZK 1,000]

Entity	Relation to the company	Inventory	Services	Accrued expenses 2016	Other	Total
HMP	parent company	456	921	0	257	1 634
Kolektory Praha, a.s.	affiliated company	0	466	0	0	466
Obecní dům, a.s.	affiliated company	0	173	0	0	173
Operátor ICT,a.s.	affiliated company	0	8 381	0	4	8 385
Pražská energetika, a.s.	another company	336 833	0	31 255	21	368 109
Pražská plynárenská, a.s.	another company	12 284	0	887	0	13 171
Pražská plynárenská Servis distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	31	0	0	31
Pražská strojírna a.s.	subsidiary	111 686	55 401	0	0	167 087
Pražská teplárenská a.s.	another company	16 050	11	0	0	16 061
Pražské služby, a.s.	affiliated company	385	5 837	0	0	6 222
PREdistribuce, a.s.	another company	398 807	577	35 073	0	434 457
PREměření, a.s.	another company	0	5	0	0	5
Střední průmyslová škola dopravní, a.s.	subsidiary	0	29 737	0	0	29 737
Výstaviště Praha, a.s.	affiliated company	0	315	0	0	315
Total		876 501	101 855	67 215	282	1 045 853

2016 [The figures are stated in CZK 1,000]

Entity	Relation to the company	Inventory	Services	Accrued expenses 2015	Other	Total
HMP	parent company	0	1 532	64	12	1 608
Kolektory Praha, a.s.	affiliated company	0	466		0	466
Operátor ICT, a.s.	affiliated company	0	2		0	2
Pražská energetika, a.s.	another company	330 405	0	3 349	17	333 771
Pražská plynárenská, a.s.	another company	15 269	0	1 004	0	16 273
Pražská plynárenská Servis distribuce, a.s., člen koncernu Pražská plynárenská, a.s.	another company	0	4		0	4
Pražská strojírna a.s.	subsidiary	118 944	51 568		0	170 512
Pražská teplárenská a.s.	another company	16 222	11		0	16 233
Pražské služby, a.s.	affiliated company	95	5 424		0	5 519
PREdistribuce, a.s.	another company	361 828	627		0	362 455
RENCAR PRAHA, a.s.	subsidiary	0	215		0	215
Rozvojové projekty Praha, a.s.	affiliated company	0	97		0	97
Střední průmyslová škola dopravní, a.s.	subsidiary	16	29 786		0	29 802
Total		842 779	89 732	4 417	29	936 957

4.19. Services [The figures are stated in CZK 1,000]

	2017	2016
Repairs and maintenance	1 810 720	1 918 767
Services associated with transport performance	624 275	589 162
Services of assistance nature	283 744	281 321
Data system services	119 638	119 510
Other services connected with city public transport	440 322	436 323
Advisory and legal services	58 173	71 308
Services associated with advertising	22 295	18 918
Other services	451 764	523 712
Total	3 810 931	3 959 021

4.19.1. Total costs of remunerations for the audit company

(The figures are stated in CZK 1,000)

	2017	2016
Obligatory audit of the Financial Statements	777	1 615
Other non-auditing services	1 879	35
Total	2 656	1 650

No contingencies are created for audit services, they are accounted at the time when the service is performed.

4.20. Depreciation of fixed intangible and tangible assets

Comparison of depreciations by asset class

(The figures are stated in CZK 1,000)

Class		2017	2016
1310	Software	54 538	42 161
1311	PC software, CZK 40,000 – 60,000	119	53
1400	Copyrights	44	
1900	Other fixed intangible assets	346	445
2110	Tracks	333 074	318 519
2111	Power supply system	139 159	137 278
2112	Metro tunnels	335 368	334 741
2113	Technical equipment of the metro system	16 465	16 548
2114	Station columns, waiting rooms, sheds	2 667	2 604
2115	Building structures for operational purposes	43 129	43 875
2116	Buildings and halls for operational purposes	140 393	140 663
2117	Constructions for operational purposes	35 620	36 178
2118	Communication and interlocking equipment	36 274	36 458
2119	Technical betterment of the assets leased	96	96
2210	Check-in system "MYPOL"	5 050	3 033

2211	IT means – computers	75 149	57 596
2212	Communication and interlocking equipment – machinery	174 898	167 499
2213	Technical equipment of the metro system	24 022	22 990
2214	Plant and machinery for operational purposes	77 945	79 254
2215	Power supply system – machinery	63 295	68 736
2216	Cableway	104	45
2221	Metro carriages	673 057	714 475
2223	Midi buses – N	20 819	20 819
2224	Standard buses	386	891
2226	Standard low-floor buses	77 919	73 562
2227	Articulated low-floor buses	179 464	178 247
2228	Escalators, metro lifts	36 151	45 618
2230	Automobiles, other	20 708	15 776
2231	Transport means, other	6 055	6 963
2232	Trams – T3	199	90
2233	Trams – T3RP	25 209	40 264
2234	Trams – T6	32 497	47 484
2235	Trams – KT8	37 776	37 157
2236	Trams – 14T	2 298	2 240
2237	Trams – 15T	499 898	405 629
2240	Inventory	284	132
2900	Other fixed tangible assets – rights to use	6 926	4 915
	Residual price of the disposed fixed assets	197	4 672
Total		3 177 598	3 107 706

Depreciation of fixed assets purchased by way of subsidies would amount in 2017 to CZK 1,987,815,000 (CZK 1,828,875,000 in 2016).

4.21. Change in the state of provisions and adjustment of values in the operational area, except for depreciation (The figures are stated in CZK 1,000)

	2017	2016
Change in the state – other provisions	-34 769	-39 775
Change in the state – accounting adjustments – to receivables	157 400	208 803
Change in the state – tax adjustments – to receivables	338	1 401
Change in the state – adjustments to inventory	6 725	-1 876
Change in the state – adjustments to assets	28 745	-1 151
Total change in the state	158 439	167 402

4.22. Sold fixed assets and revenues from sale of fixed assets

As at 31 December 2017, the entry “Residual price of fixed assets sold” amounted to CZK 11,646,000 (CZK 1,805,000 in 2016), the entry “Revenues from the sale of fixed assets sold” amounted to CZK 27,105,000 (CZK 29,163,000 in 2016).

The entry “Revenues from the sale of fixed assets” includes especially revenues:

- from the sale of a plot of land, including the construction in Holešovice (firm RPC, a.s.) at an amount of CZK 6.070,000 (for the plot of land) and at an amount of CZK 2,475,000 (for the construction),
- from the sale of trams to Sofia (firm STOLICHEN ELETROTRANSPORT) at an amount of CZK 5,290,000
- from the sale of technical betterment (firm Property Klárov, a.s.) at an amount of CZK 8,589,000.

4.23. Material sold and revenues from the sale of material

As at 31 December 2017, the entry “Residual price of the material sold” amounted to CZK 68,410,000 (CZK 60,024,000 in 2016), the entry “Revenues from the sale of the material sold” amounted to CZK 74,329,000 (CZK 63,949,000 in 2016).

4.24. Other operational incomes (The figures are stated in CZK 1,000)

	2017	2016
Subsidies to settlement of costs	98 138	99 452
Incomes – surcharges to the fare	291 663	326 868
Incomes – assignment of receivables for SMS tickets	503 756	499 715
Assessment of compensations – insurance companies	76 727	221 501
Contractual penalties, fines, interest on delays	4 638	-3 017
Other operational incomes	207 652	45 372
Total	1 182 574	1 189 891

The increase in the entry “Other operational incomes” implies especially from the actions filed due to unjust enrichment against the company euroAWK s.r.o. for 2013–2016 at an amount of CZK 93,627,000 and against the company RENCAR PRAHA, a. s. for 2013 at an amount of CZK 75,701,000.

4.25. Other operational costs (The figures are stated in CZK 1,000)

	2017	2016
Insurance premium	326 734	311 583
Depreciation of receivables	43 673	12 493
Depreciation of assigned receivables from SMS tickets	503 755	499 715
Contractual penalties, interest on delays	5 409	270 671
Other operational expenses	61 740	37 165
Total	941 311	1 131 627

The total decrease in other operational costs by CZK 190,316,000 was caused especially by the decrease in the item of contractual interest on delay by CZK 265,262,000 in virtue of its payment.

The increase in the partial entry of other operational expenses by CZK 24,575,000 was caused by the VAT transfer in virtue of unjust enrichment by euroAWK s.r.o. for 2013–2016 in a total value of approx. CZK 13,301,000. Besides, unlike 2016, in 2017 the transfer of

an amount of CZK 6,508,000 was made in virtue of a mandatory share of people with physical handicaps and an increase due to settlement agreements was made in a total amount of CZK 5,156,000.

4.26. Incomes from fixed financial assets

As at 31 December 2017, the company did not state any incomes from fixed financial assets.

4.27. Income interest and similar incomes (The figures are stated in CZK 1,000)

	2017	2016
Interest on bank accounts (current)	3 785	832
Total	3 785	832

4.28. Cost interest and similar costs (The figures are stated in CZK 1,000)

	2017	2016
Interest on credit facilities for purchase of metro carriages	0	3 596
Interest on credit facilities for purchase of metro carriages – SWAP	0	0
Interest – bill of exchange programme	61 137	75 132
Total	61 137	78 728



4.29. Other financial incomes except for derivative transactions

(The figures are stated in CZK 1,000)

	2017	2016
Incomes from the securities and shareholdings sold	2 000 000	4 098 756
Exchange rate differences	518	68
Incomes from short-term securities	468	2 993
Other financial incomes	60 490	42 690
Total	2 061 476	4 144 507

4.30. Other financial costs except for derivative transactions

(The figures are stated in CZK 1,000)

	2017	2016
Bank expenses	16 772	15 114
Exchange rate differences	1 391	1 773
Securities and participations sold	2 000 000	4 098 756
Other financial costs	4 108	31 384
Total	2 022 271	4 147 027

The entry "Securities and participations sold" reflects, in accordance with applicable accounting regulations, the costs of the sale of securities which were acquired by the company in accordance with the strategy

in deposition of temporarily free financial means. The reciprocal item is formed, within the framework of the chart of accounts of "Incomes from securities and shareholdings sold", see Chapter 4.29.

5. Employees, company management and statutory bodies

5.1. Personnel costs and number of employees

2017

(The figures are stated in CZK 1,000)

	Number *	Wage costs	Costs of soc. and health security	Other costs	Personnel costs, total
Employees	10 940	4 978 481	1 789 900	200 060	6 968 441
Company management	12	27 059	8 531	188	35 778
Board of Directors		14 663	2 961		17 624
Supervisory Board		3 624	1 184		4 808
Audit Committee		540	183		723
Corp. body members **		18 827	4 328		23 155
Total	10 952	5 024 367	1 802 759	200 248	7 027 374

2016

(The figures are stated in CZK 1,000)

	Number *	Wage costs	Costs of soc. and health security	Other costs	Personnel costs, total
Employees	10 889	4 713 254	1 677 905	165 622	6 556 781
Company management	13	33 543	10 377	160	44 080
Board of Directors		6 302	1 062		7 364
Supervisory Board		2 290	779		3 069
Audit Committee		69	23		92
Corp. body members **		8 661	1 864		10 525
Total	10 902	4 755 458	1 690 146	165 782	6 611 386

Total converted number of employees in the course of the accounting period

Time period	Number *	Company management of the total number of employees
1. 1. 2017–31. 3. 2017	10 952	12
1. 1. 2017–30. 6. 2017	10 952	12
1. 1. 2017–30. 9. 2017	10 946	12
1. 1. 2017–31. 12. 2017	10 952	12

* The number of employees is based on the average converted headcount.
** Board of Directors, Supervisory Board, Audit Committee.

The term “company management” denotes Specialised Directors (except for those Specialised Directors who are at the same time members of the Board of Directors) and Heads of the Units. The members of the Board of Directors, including the Chief Executive Officer were not employees of DP as at the day of the drawing up of the Financial Statements, but they performed their office on the basis of an Agreement on Performance of an Office.

5.2. Provided loans, credit facilities or other fulfilment

Non-residential premises and low-value assets were provided to trade unions free of charge.

There were not provided any financial loans or credit facilities to shareholders or members of statutory, supervisory and control bodies.

The contributions for pension insurance schemes, complementary pension insurance programmes and life insurance plans were provided only to those members of statutory, supervisory and control bodies, who are at the same time also employees of the company.



6. Liabilities not stated in the accounting

Contractual liabilities for renewal and development of the fleet and other capital expenditures from contracts of purchase made up to the end of 2017 amount to CZK 5,788,983,000.

The contractual liabilities for the area of renewal and development of machinery capital expenditures amount to altogether CZK 4,939,163,000 and the most important entries are as follows:

- Purchase of low-floor articulated trams “15T” at an amount of CZK 4,400,000,000,
- Ticket vending machines at an amount of CZK 105,000,000,
- Upgrade of the HW and SW of the measurement carriage Plasser EM 50 at an amount of CZK 72,000,000
- Modernisation of the main ventilation system in the shafts of the Metro A, B, C lines at an amount of CZK 65,622,000
- Renovation of rail vehicles WŽB-10M at an amount of CZK 65,000,000

The main source of funding of these liabilities will be the company’s own resources.

For the area of renewal and development of building capital expenditures the contractual liabilities are in total CZK 849,820,000 and concern especially the following projects:

- Renovation of escalators in Charles Square/Resslova, renovation of the vestibule at an amount of CZK 211,958,000
- Renovation of escalators in Náměstí republiky square/Kotva, renovation of the vestibule and of the underpass at an amount of CZK 117,630,000
- Renovation of bearing structures of the tracks in the Kobylisy and Žižkov depots at an amount of CZK 90,000,000
- Modernisation of illumination of the Dejvická Metro station at an amount of CZK 78,914,000

The company presupposes, in connection with renovation and development of building capital expenditures, financing also from subsidies for acquisition of fixed assets.

Another area of the liabilities not stated in the accounting consists of potential liabilities in virtue of judicial litigations with an essential impact on the company, which however do not comply with parameters for reflection in the Balance Sheet.

Summary information on these litigations:

- total: 40 judicial litigations
- in a total amount: CZK 12,709,535.20

- 1) Associated with the employment relationship: 14 judicial litigations
- 2) Liquidated damages: 16 judicial litigations
- 3) Action for determination of the title: 1 judicial litigation
- 4) Other actions: 9 judicial litigations

7. Approval of the Financial Statements of 2016, profit distribution for 2017

7.1. Approval of the Financial Statements for 2016

Through the Resolution of the Council of the Capital City of Prague in the competence of the General Meeting of DP no. 1188 of 30 May 2017, the Financial Statements were approved in the full extent for 2016 with the economic result: profit amounting to CZK 1,835,451,000. At the same time a decision was made about the transfer of the profit at an amount of CZK 1,569,238,000 to the account 428 – Retained profit of previous years, and about settlement of unsettled loss of previous years at an amount of CZK 266,213,000 registered through the account no. 429 – Unsettled loss of previous years.

7.2. Proposal for distribution of profit for 2017

The Board of Directors of the company suggests to the General Meeting of DP the distribution of the economic result achieved for the accounting period of 2017 in the form of profit amounting to CZK 1,900,898,000 by way of a transfer to the account 428 – Retained profit of previous years. The Board of Directors suggests also transfer of another economic result arising in virtue of a change in the method of monitoring of standby storage areas at DP at an amount of CZK 84,700,000 to the account no. 428 – Retained profit of previous years.

8. Events occurring after the date of the Financial Statements

The Council of the Capital City of Prague acting in the competence of the General Meeting of the company decided, on 21 November 2017, about the increase in the register capital of DPP through a non-financial investment by an amount of CZK 513,370,000 to the total amount of CZK 31,239,495,000. This fact was registered in the Commercial Register on 5 January 2018. The subject matter of the non-financial investment consisted of the following 4 tramway projects:

1. Construction no. 0065: Strahovský tunnel, 2nd st., valued through an Expert Opinion at an amount of CZK 28,945,000.
2. Construction no. 9515: M0 Myslbekova – Prašný most bridge, valued through an Expert Opinion at an amount of CZK 92,568,000.
3. Construction no. 0080: M0 Prašný most bridge – Špejchar, valued through an Expert Opinion at an amount of CZK 79,740,000.
4. Construction no. 0079: Špejchar – Pelc Tyrolka, valued through an Expert Opinion at an amount of CZK 312,117,000.

The total market value of the non-financial investment according to the Expert Opinion is CZK 513,370,000.

One new registered common share in a value of CZK 513,370,000 was issued for the above stated non-financial investment.

The non-financial investment was inserted through an official handover and takeover of real property assets.

9. Overview of financial flows – cash flow statement



(The figures are stated in CZK 1,000)

		Period to 31. 12. 2017	Period to 31. 12. 2016
P.	Balance of cash means and cash equivalents at the beginning of the accounting period	5 451 100	7 516 216
Z.	Accounting profit or loss from ordinary activities before taxation	2 347 389	1 275 662
A.1.	Adjustments with non-monetary operations (A.1.1 to A.1.6)	3 422 781	3 338 429
A.1.1.	Depreciation of fixed assets (+)	3 177 598	3 107 706
A.1.2.	Change in the state of adjustments, reserves (+/-)	158 440	167 402
A.1.3.	Profit (-) or loss (+) from sale of fixed assets	-15 459	-27 358
A.1.4.	Incomes from dividends and shares in profit (-)	0	0
A.1.5.	Cost (+) and income (-) interest	57 352	77 896
A.1.6.	Adjustments with other non-monetary operations	44 850	12 783
A*	Net operational cash flow before changes in working capital (Z+A.1)	5 770 170	4 614 091
A.2.	Change in the state of working capital (A.2.1 to A.2.4)	-520 458	-982 016
A.2.1.	Change in the state of receivables and accruals and deferrals of assets (+/-)	-1 035 712	127 044
A.2.2.	Change in the state of liabilities and accruals and deferrals of liabilities (+/-)	649 081	-1 051 323

A.2.3.	Change in the state of the inventory (+/-)	-133 827	-57 737
A**	Net cash flow from operation activities before taxation (A.*+A.2)	5 249 712	3 632 075
A.3.	Interest paid (-)	-61 137	-78 728
A.4.	Interest accepted (+)	3 785	832
A.6.	Accepted participations in profit (+)	0	0
A***	Net cash flow from operation activities (A.**+A.3 to A.6)	5 192 360	3 554 179
B.1.	Expenses connected with acquisition of fixed assets (-)	-4 741 633	-4 129 437
B.2.	Incomes from the sale of fixed assets (+)	26 509	
B.3.	Loans and credit facilities to related persons		28 935
B***	Net cash flow related to investment activities (B.1 to B.3)	-4 715 124	-4 100 502
C.1.	Change in the state of liabilities from financing	-240 922	-1 518 793
C***	Net cash flow related to financial activities (C.1+C.2)	-240 922	-1 518 793
F.	Net increase or reduction of cash means and cash equivalents (A.***+B.***+C.***)	236 314	-2 065 116
R.	Balance of cash means and cash equivalents at the end of the accounting period (P+F)	5 687 414	5 451 100

Dopravní podnik hl. m. Prahy, akciová společnost
(The Prague Public Transport Company, a.s.)
Sokolovská 217/42, Prague 9

10. Approval of the Notes to the Financial Statements as at 31 December 2017 in a full extent

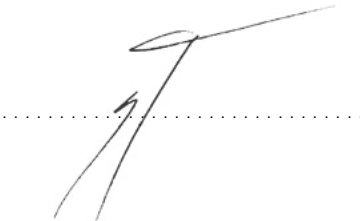
Mgr. Martin Gillar

Chairman of the Board of Directors
Chief Executive Officer
The Prague Public Transport Company, a.s.



PhDr. Jiří Špička

Member of the Board of Directors
The Prague Public Transport Company, a.s.



In Prague on 26 February 2018
Drawn up by: Ing. Marek Polický



Dopravní podnik hl. m. Prahy,
akciová společnost

Sokolovská 217/42, 190 22 Prague 9

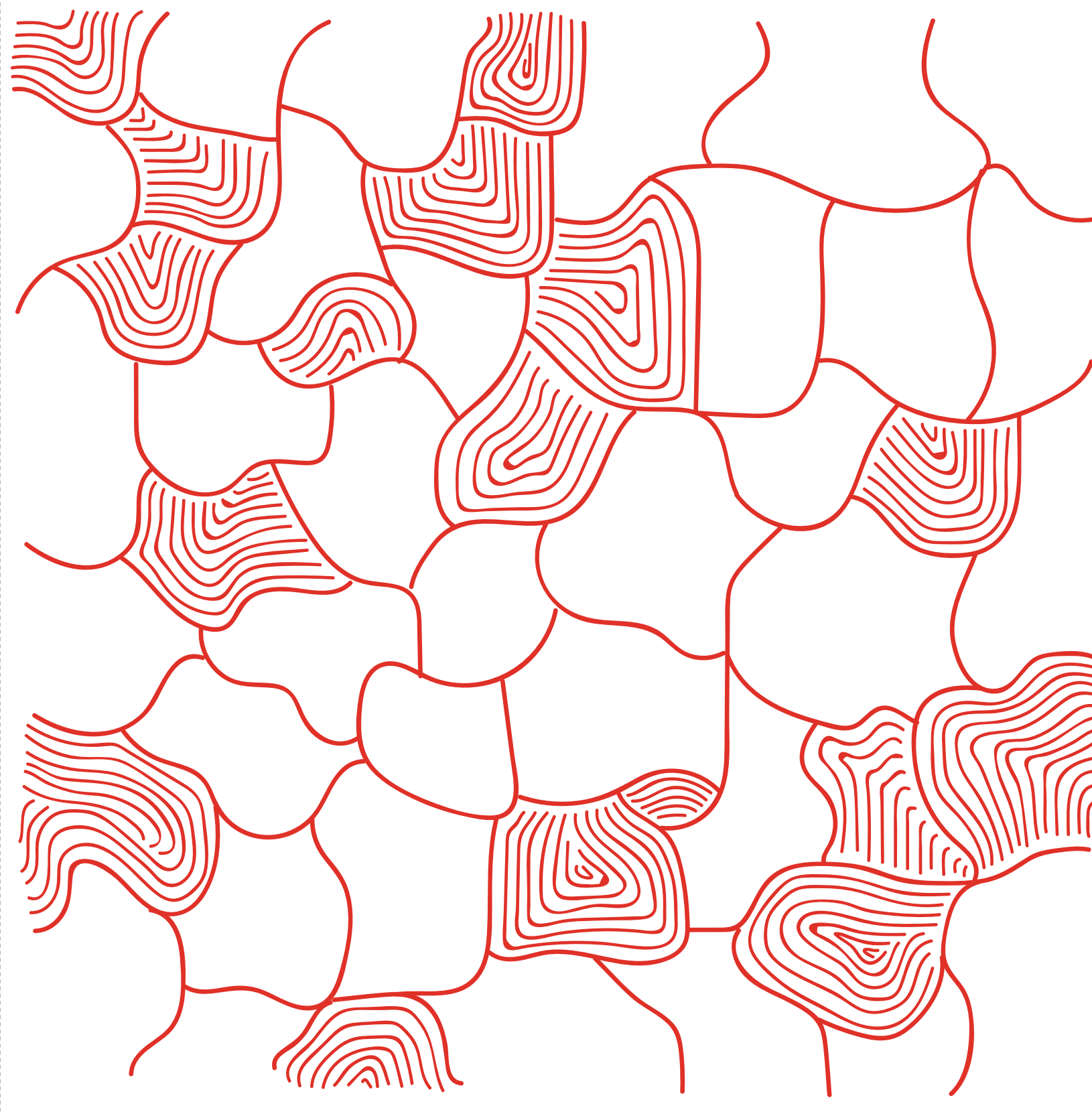
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