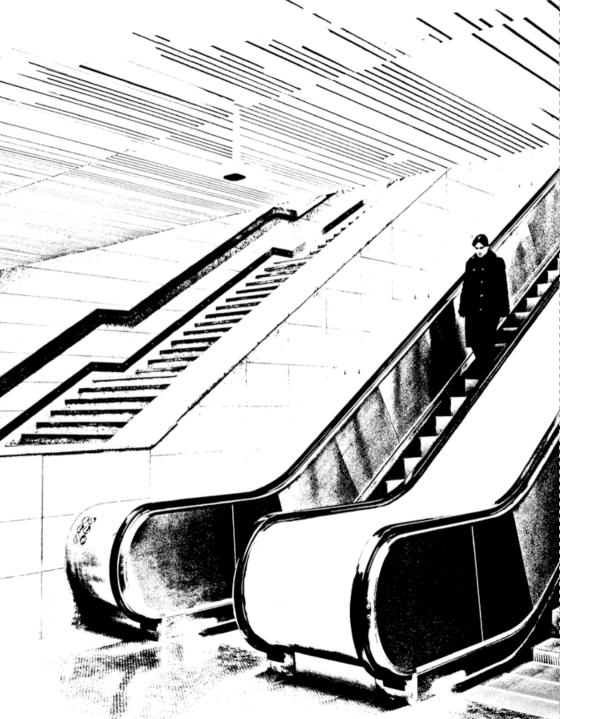


ANNUAL REPORT 2018





TEXT PART ANNUAL REPORT 2018

Contents

Introductory Word Basic Identification Data of the Company Organisational Chart as of 31. 12. 2018 Company's Bodies Organisational Structure in 2018 Company's Management Organisational Structure in 2018	4 6 7 8 10	
Transport	12	
Quality of Services	14	
Transport Network Development	16	
• Transit Performances	18	
 Services for People with Disabilities 	18	
Historic Vehicles	19	
Preference for Public Mass Transport	19	
• Timetables	20	
• Transit Inspection	20	
Transit and Transport Surveys	21	
• Rate of Accidents	23	
Information for Passengers	23	
Technology	26	
• Company's Fleet	29	
Transport Infrastructure	31	
• Inspections	38	
Facility Management	38	
Power Engineering	39	
Economy	40	
 Introduction 	42	
The Capital City of Prague	42	
• Suburban Transport	43	
Other activities and entries	43	
Economic Results	43	

Revenues from Fares	44	
The IT Division implements the Strategic IT Development Concept	44	
• Archive	40	
• Real Property Division	46	
Stock Economy Division	47	
Human Resources	48	
 Personnel Strategy and Human Resources Management 	50	
Human Resources Development	50	
Wage Policy	5	
Welfare Policy	5	
Education and Development	51	
Safety and Security	54	
Contingency Planning	5	
Security and Property Protection	5.	
• 0SH	59	
• Fire Protection	60	
• Inspection	62	
Investment	64	
Priorities of the Upcoming Period	68	
Marketing and Trade	74	
Communication and Public Relations	78	
Companies with Investment Interest	83	
Central Purchasing Division	84	
Legal Division	8! 8 <i>6</i>	
Report of the Auditing Committee		
Report of the Supervisory Board	88	
Act No. 106/1999 Coll., on Free Access to Information	90	
Report on Relations	92	
List of Abbreviations	109	



INTRODUCTORY WORD BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR OF THE PRAGUE PUBLIC TRANSIT CO., INC.

Dear Readers,

Please allow me to evaluate the past period despite being appointed to the Board only at the very end of last year. I am honoured to have been entrusted to lead a company that provides high-quality services to Prague's travelling public on an everyday basis. I believe that all the changes, both ongoing and planned, will take us one step further and result in an even higher standard of services provided next year.

First and foremost, on behalf of myself and the company, I would like to thank all employees for the great work they did for the transit company last year. Enthusiasm, reliability and daily commitment of operating staff, drivers and all other staff are the main reasons why the Prague public transport system is so highly valued and has also become a model for the surrounding metropolises.

DPP is currently economically stable, and we are successfully rendering the services commissioned by the Capital City of Prague. Our ambition is to invest in the development of Prague public transport, to further increase the comfort of passengers and to speed up some eagerly anticipated projects. Millions of passengers who use public transport every year are demanding customers and deserve to receive services of the highest quality.

Human resources stability is also of paramount importance to a company that is one of the world's leading urban carriers. DPP management appreciates the loyalty of its employees and does its utmost to ensure that the favourable economic situation of the company is reflected not only in their financial motivation but also in the improvement of the working environment. In the current period of low unemployment and higher turnover of selected professions, we seek to create such conditions in which all employees can be proud of their job and business. DPP wishes not only to retain its drivers and employees who provide operational support but also to expand its ranks. Thanks to innovative recruitment methods, the number of public transport drivers has increased. In 2018, 559 new drivers were recruited. Last year's recruitment campaign with Tomáš Matonoha as a charismatic driver of public transport, implemented in cooperation with the Association of Transport Enterprises of the Czech Republic, was very successful. This campaign won first place in the career video of the year category.

I am proud that we have long been at the forefront of European and world rankings and that our company is strong and stable. The key projects that Prague citizens need so much are ahead of us, however. DPP management has decided that they key tasks clearly are the building of the Metro D, new tram lines, track repair and the ongoing renewal of the fleet, especially buses. It will also be necessary to work inside the company, be it revising and accelerating key processes, reviewing contractual relationships or building the DPP's image and brand.

The Board will always advocate for the transit company being an open, transparent company, creating conditions for fair competition, spending its resources efficiently and creating the conditions for work to become a sought-after employer and partner.

Petr Witowski,

Chairman of the Board of Directors and Managing Director of the Prague Public Transit Company, Inc.

BASIC IDENTIFICATION DATA OF THE COMPANY

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

(The Prague Public Transit Company, Inc.)

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

 Company ID No.:
 00005886

 Tax ID 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 with a share in the Company's share capital:

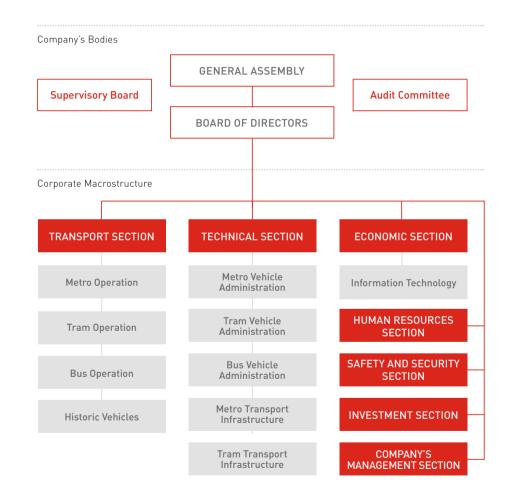
Company's share capital: The Capital City of Prague (100 %)
Commercial Register: The Prague Public Transit Company, Inc. has been

incorporated in the Commercial Register held at the Municipal Court in Prague on the 11th of July 1991,

File No.: Rg.: B 847, (in Section B, File No. 847)

Share capital: **CZK 31,239,495,000**

ORGANISATIONAL CHART AS OF 31, 12, 2018



COMPANY'S BODIES ORGANISATIONAL STRUCTURE IN 2018

The Board of Directors

As of the 1st of January 2018, the Company's Board of Directors consisted of: the Chairman of the Board of Directors Mgr. Martin Gillar, the Vice Chairman of the Board of Directors JUDr. Jan Blecha, Members of the Board of Directors Ing. Ladislav Urbánek, PhDr. Jiří Špička and Ing. Jan Šurovský, PhD.

On the 21st of March 2018, the Supervisory Board recalled Jan Blecha from the Board of Directors. On the 26th of March 2018, the Board of Directors elected Ing. Ladislav Urbánek as Vice-Chairman of the Board of Directors.

On the 27th of March 2018, the Supervisory Board elected Ing. Tomáš Kaas as Member of the Board of Directors. At the meeting held on the 20th of June 2018, the Supervisory Board recalled Ing. Jan Šurovský, Ph.D., from the position of Member of the Board of Directors. Effective the 19th of December 2019, the Supervisory Board recalled Mgr. Martin Gillar and Ing. Tomáš Kaas from the position of member of the Board of Directors and effective the 20th of December 2019, elected Ing. Petr Witowski, Ing. Jan Šurovský, PhD and Bc. Filip Tulák to the vacant functions.

Supervisory Board

For most of 2018, the Supervisory Board consisted of the following members: Chairman of the Supervisory Board PhDr. Lukáš Kaucký, Vice-Chairman of the Supervisory Board Ing. Karel Grabein Procházka, Vice-Chairwoman of the Supervisory Board Mgr. Petra Kolínská, Vice-Chairman of the Supervisory Board Jiří Obitko and members of the Supervisory Board Bc. Jan Kolář, Vratislav Feigel, Jan Lebeda, Ing. Peter Hlaváč, Ing. Vojtěch Kocourek, PhD, Ing. Petr Hlubuček, JUDr. Petr Novotný, Martin Slabý, Jaroslav Štěpánek, Ing. Marek Doležal, Petr Šimůnek.

At the end of 2018, the staffing of the Supervisory Board was changed by decision of the General Assembly and based on the results of the election of Supervisory Board members elected by employees in the following manner: Chairman of the Supervisory Board Ing. Adam Scheinherr, MSc., PhD, Vice-Chairman of the Supervisory Board Pavel Vyhnánek, M.A., Vice-Chairman of the



Supervisory Board Jan Marek, Vice-Chairman of the Supervisory Board Bc. Oldřich Schneider and members of the Supervisory Board Ing. Marek Doležal, Ing. Petr Hlubuček, Bc. Jan Holub, Josef Buriánek, Mgr. Petra Kolínská, Ing. Michal Zděnek, M.A., Ing. Tomáš Mikeska, Tomáš Novotný, Ing. Michal Štěpán, Jiří Obitko, PaedDr. Ivo Vašíček.

Audit Committee

In 2018, the Audit Committee consisted of the Chairman of the Audit Committee Ing. Aleš Michl, Vice-Chairwoman of the Audit Committee Ing. Zdena Javornická and Member of the Audit Committee Ing. Ladislav Langr.

As of the 30th of November 2018, the membership of Ing. Aleš Michl in the Audit Committee expired, based on his request.

COMPANY'S MANAGEMENT ORGANISATIONAL STRUCTURE IN 2018

Managing Director

Mgr. Martin Gillar held the position of the Managing Director between 1. 1. 2018 and 19. 12. 2018. From 20. 12. 2018 the position of the Managing Director belonged to Ing. Petr Witowský.

Director in Charge of the Economic Department

Ing. Peter Hlaváč held the position of the Director in charge of the Economic Department in 2018.

Director in Charge of the Investment Department

JUDr. Jan Blecha held the position of the Director in charge of the Investment Department between 1. 1. 2018 and 21. 3. 2018. **Ing. Tomáš Kaas** held the position of the Director in charge of the Investment Department between 1. 4. 2018 and 19. 12. 2018. From 20. 12. 2018 the position of the Director in charge of the Investment Department belonged to **Bc. Filip Tulák**.

Director in Charge of the Transport Department

Ing. Ladislav Urbánek held the position of the Director in charge of the Transport Department in 2018.

Director in Charge of the Technical Department

Ing. Jan Šurovský, PhD held the position of the Director in charge of the Technical Department between 1. 1. 2018 and 25. 4. 2018. Ing. Oldřich Vytiska held the position of the Director in charge of the Technical Department from 26. 4. 2018.

Director in Charge of the Security Department

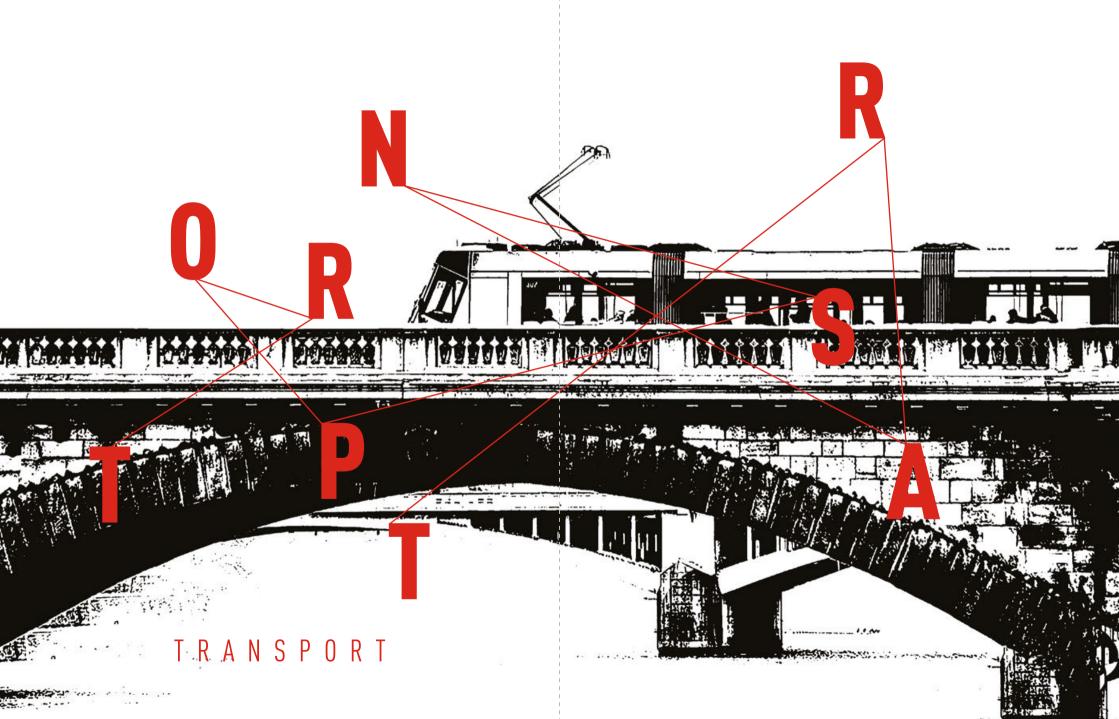
RSDr. Antonín Fedorko held the position of the Director in charge of the Security Department between 1. 1. 2018 and 31. 7. 2018. From 1. 8. 2018 this position belonged to **Mgr. Daniel Barták**.

Director in Charge of the Human Resources Department

PhDr. Jiří Špička held the position of the Director in charge of the Human Resources Department in 2018.

Managing Director	Ing. Petr Witowski	20.12.2018 – 31.12.2018
Director in Charge of the Economic Department	Ing. Peter Hlaváč	01.01.2018 – 31.12.2018
Director in Charge of the Investment Department	Bc. Filip Tulák	20.12.2018 – 31.12.2018
Director in Charge of the Transport Department	Ing. Ladislav Urbánek	01.01.2018 – 31.12.2018
Director in Charge of the Technical Department	Ing. Oldřich Vytiska	26.04.2018 – 31.12.2018
Director in Charge of the Security Department	Mgr. Daniel Barták	01.08.2018 – 31.12.2018
Director in Charge of the Human Resources Department	PhDr. Jiří Špička	01.01.2018 – 31.12.2018







QUALITY OF SERVICES

A 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 the success of the Company while ensuring public transit of passengers.

Quality management in DPP is ensured by the Transport Department.

Implemented quality standards that are in line with the requirements and recommendations of standard EN 13816 allow for the improvement of the level of services provided by DPP. Within the Service Quality Programme, DPP monitors, analyses and through the measures taken facilitates the improvement of the performance of individual quality standards. Trends in individual quality standards prove a high level of services provided – transportation of passengers – and they meet the long-term goal of the company, which is to improve the level of public urban transport services provided in Prague and in its surroundings, thereby increasing passenger satisfaction.

The service quality programme quarantees regular measuring of quality standards:

- / **On-time operation** on-time operation and reliability of transport, adherence to timetables
- / Information to the public provision of up-to-date and comprehensible information
- / Approach to passengers a manner of conduct and approach of operating staff to passengers
- / **Uniform employee's appearance** tidiness of an employee, observance of the uniform discipline
- / Functionality of ticket vending machines functionality and reliability of ticket dispensing equipment and completeness of information elements on ticket vending machines
- / Accessibility of barrier-free equipment the operational reliability of passenger lifts and special platforms in the metro
- / Adherence to the flow diagram fulfilment of the volume of planned transit performances

- / Transit availability in metro stations observance of the guaranteed metro transit availability to passengers
- / **Vehicle cleanliness and appearance** monitoring the external and internal cleanliness and appearance of vehicles
- **Operation safety** analysis of events with impact on passengers' safety
- / Environmental impact of metro and bus vehicles the impact of metro and bus traffic on the environment (emissions)

Meeting the quality standards in 2018

Quality standard	Level of demandingness	Performance
On-time operation	85% of connections are performed on-time or within a permitted deviation	91,42
Information in the metro stations	90% of stations are equipped with up-to-date, legible, official and visibly placed information	98,96
Information in metro vehicles	95% of vehicles are equipped with prescribed information	98,77
Information at surface transport stops	90% of stops are equipped with up-to-date, legible, official and visibly placed information	99,05
Information on and in surface transport vehicles	95% of vehicles are equipped with prescribed information	99,45
Approach to passengers	90% of passengers are satisfied with the behaviour of employees	96,94
Uniform	95% of employees wear uniforms and satisfy the tidiness requirements	99,64
The functionality of the surface transport ticket vending machines	90% of vending machines are functional and visually acceptable	96,42
Accessibility of barrier-free equipment in metro	90% of equipment is accessible and has adequate design	97,70
Adherence to the flow chart	99.80% of the performance of the planned volume	100,04
Transit availability in metro stations	95.00% of stations are available during operating hours	99,68
Vehicle cleanliness and appearance	85% of vehicles are perceived in a clean and maintained condition by passengers	93,13
Operation safety	Metro, trams and buses operation safety	fulfilled
Energy performance of metro vehicles	The specified energy performance is not exceeded (100%)	86,76
Environmental impact of bus operation	The share of buses will not drop below 60% during the following 12 years	66,71

In 2018, the quality management systems underwent a review in terms of fulfilment of the requirements imposed by criteria standards through QMS auditing performed by a supranational certification organisation.

An overview of external QMS audits conducted in 2018

Department	Certified processes	Type of the audit	Standard	Certification body
Transport Department	Public passenger transport Operation of the public transport museum	Supervisory	ISO 9001 EN 13816	
Transport Equipment Service	Ensuring the operability of the metro transport equipment	Supervisory	ISO 9001	
Central BUS Workshops	Repair of diesel engines, gearboxes, axles and braking, air-controlled and electric components of road motor vehicles	Supervisory	ISO 9001	
Logistics Department	Central purchasing and central storage for the needs of the Prague Public Transit Company, Inc.	Supervisory	ISO 9001	LRQA
Vehicle Inspection Station Centre	Operation of the Vehicle Inspection Station	dozorový	ISO 9001	
Establishment of the Tram Repair Workshop	Repairs and modernisation of electric machines and devices of traction vehicles, undercarriages and trolleys of trams, gearboxes and components for rail vehicles	dozorový	ISO 9001	

Certification company auditors found no serious deficiencies and confirmed compliance with the standards. As a strong point of the quality management systems being reviewed, auditors assessed our staff's competence and helpful approach to passengers.

To increase the level of service provided on the territory of the City of Prague and its surroundings, we have cooperated on the evaluation of PID quality standards. ROPID has always rated DPP as a "high-quality carrier", which is the highest possible positive rating.

TRANSPORT NETWORK DEVELOPMENT

Metro

In 2018, three metro lines – A, B and C were in operation. The number of stations is 61 and the total length of metro lines is 65.4 km.

From the 1st of September 2018, zone traffic on the Ládví - Letňany section of line C was cancelled and traffic on line A was reinforced on Sundays between 10 a.m. and 2 p.m. and the weekend traffic on lines B and C was reinforced on Saturdays between 7 a.m. and 8 p.m. and on Sundays between 10 a.m. and 8 p.m.

Trams

The tram network, which as of the 31st of December 2018 had 142.7 km of track, was served by 25 daytime and 9 nighttime lines with a total track length of 557.8 km.

A historic tram line was in operation on Saturdays, Sundays and on holidays during the tourist season between the 30th of March and the 18th of November 2018.

From the 24th of February 2018, the capacity of line No. 5 was reinforced on weekends by deploying coupled and articulated vehicles and line No. 7 was coupled on weekends to extend the intervals to standard intervals (i.e. 15 or 20 minutes respectively).

From the 1st of September 2018, operation of all tram lines was reinforced on Sunday mornings between 10 a.m. and 2 p.m. from 20 to 15 minutes or from 10 to 7-8 minutes on lines Nos. 9, 17 and 22. Simultaneously, on line No. 11, capacity was increased by deploying coupled and/or articulated vehicles during weekends and line No. 6 was coupled on weekends to extend the intervals to standard intervals (i.e. 15 or 20 minutes respectively).

In 2018, long term closures on Zenklova, Kolbenova and Vinohradská Streets took place, which affected the routing of lines during these closures.

Buses

At the end of 2018, the Prague Public Transit Company, Inc. operated 96 daytime urban lines, 12 suburban lines, 15 nighttime urban lines and 1 line for people with reduced mobility on a communication network of 837.9 km within the Prague Integrated Transport system. The total length of all 141 lines was 1789.6 km. On the 3rd of April 2018, the service of the Sídliště Baba area was launched with a new line No. 216. From the 1st of September 2018 routes and parameters of bus lines Nos. 124 and 134 were adjusted and we passed lines Nos. 163 and 228 and from the 1st of November lines Nos. 117 and 222 to external carriers. During 2018, the nighttime lines Nos. 914 (from the 15th of January), 912 (from the 1st of September) and 906 (from the 9th of December) were slightly modified and line No. 955 was cancelled as of the

Trolleybuses

As of the 31st of December 2018, the operation on the 1.4-kilometre trolleybus line network was provided by 1 daytime line, with a total length of 4.9 km. A battery drive is used for part of the route outside the overhead contact line. On the 1st of July 2018, a new trolleybus line No. 58 (with dynamic charging) was established on the Palmovka - Letňany route.

TRANSIT PERFORMANCES

The total transport performance of urban and suburban lines included in the Prague Integrated Transport System operated by the Prague Public Transit Company, Inc., including special regular services for persons with reduced ability of orientation and mobility, reached 166,320 thousand vehicle kilometres. The volume of transport performances expressed in place kilometres (pkm) represents 22,924,159 thousand pkm (see the table).

In regard to transport performance given in vehicle kilometres, the increase was 0.50% compared to 2017, while the volume of place kilometres increased by 1.42%. This difference is significantly influenced by the deployment of a higher number of articulated vehicles at the expense of standard vehicles (further deployment of 15T trams, renewal of the operation of 14T trams and greater use of articulated buses).

SERVICES FOR PEOPLE WITH DISABILITIES

Metro

Of the total number of 61 metro stations, 44 stations were accessible by public passenger lifts, inclined staircase platforms or direct barrier-free entrances at the end of 2018. These include 10 stations on line A (Nemocnice Motol, Petřiny, Nádraží Veleslavín, Bořislavka, Dejvická, Můstek, Muzeum, Strašnická, Skalka, Depo Hostivař), 17 stations on line B (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 line C (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 line C enables barrier-free access with a trained quardian by means of a freight lift.

Trams

Guaranteed connections are also provided on all daytime lines within the tram network. The frequency of dispatch of low-floor tram cars was similar to last year. In this manner, a total of 189 guaranteed low-floor vehicles were dispatched on a working day at the end of 2018, i.e. cca. 43% of the total number of tram-trains dispatched.

Buses and trolleybuses

Guaranteed low-floor vehicles are utilised on all daytime urban lines, suburban lines, 10 school lines and 12 nighttime lines. In total, in 2018, 769 low-floor buses and trolleybuses were dispatched on a working day, which represents cca. 80% of all the vehicles dispatched.

HISTORIC VEHICLES

The season of the Public Transport Museum commenced on Saturday, the 30th of March, and ended on Sunday, the 18th of November. The museum's attendance, both on weekends and weekdays, was slightly higher than last year, reaching 255 persons on an average day.

The opening ceremony of the season was accompanied by a celebration of 25 years since the opening of the museum (in 1993). On that occasion, 4 museum buses and a KT8D5-type museum tram were in operation, carrying those interested in the vicinity of the Public Transport Museum and Prague Castle. On this day the museum was visited by an impressive number of 2,129 people. This year's Prague Museum Night was very quiet, there were no queues for the entire duration of the event and the resulting number of visitors confirmed the long-term decreasing trend of interest in this event. This time it was "only" 1,950 persons.

In 2018, the exhibits of the Public Transport Museum participated in a large number of public events, when buses and KT8D5 trams, in particular, were in use. Special attention was paid to the first anniversary of the reintroduction of trolleybus transport in Prague, with the Škoda 8Tr museum trolleybus running on Prosecká Street under considerable public interest.

Interest in commercial rides with historic and sightseeing trams has increased significantly. From the 1st of September, a regular train was dispatched on line 23 on a daily basis. The T3 Coupé vehicle was presented to the public at the end of October during the Designblok 2018 exhibition and, subsequently, 45 trips for the general public were organised. This vehicle has been in routine operation since mid-November.

PREFERENCE FOR PUBLIC MASS TRANSPORT

In the last year, work on the "Project of the Preference for Public Mass Transport in Prague" continued by co-operation with the city authorities, the Police of the Czech Republic and other organisations.

A total of 320 m of separating sills were implemented in the tram service on Zenklova Street. In total, 12.9 km of these fittings were installed on the tram network by the end of the year.

During 2018, 7 light-signalling devices were provided with a preference for trams. At the end of 2018, the number of light-signalling devices with a preference for trams reached 205 out of 247.

There was a partial increase in the reserved lanes in the operation of buses, with a total length of 45.5 km at the end of 2018. Five signalling devices were also provided with preference and their total number reached 218.

TIMETABLES

To ensure the operation of DPP's lines, a total of 10,551 records were processed in the Graphical Timetable Database during 2018. This means a more than 10% year-on-year increase in the number of graphical timetables processed. This number is mainly influenced by closures and also by permanent changes in the network of lines. There are also various restrictions on service during the holiday operation.

For each timetable change, it is necessary to process a graphical timetable for each day of operation and to prepare all documents for the operation of DPP lines. In particular, these are vehicle timetables, the updating of the mileage, the provision of information for passengers via stop timetables and the updating of the search engine database on DPP websites and mobile applications.

TRANSIT INSPECTION

2018 was a year that brought many changes to DPP's traffic inspection staff.

The joint project of the Prague City Hall, DPP and Ropid "Are you taking a free ride?", which was aimed at the reduction in the number of stowaways, continued also this year. This communication campaign, with the slogan "It is normal to pay", met with great acclaim. The most interesting and the most used new feature that was created during this campaign is undoubtedly the possibility to pay only a half of the penalty for an invalid ticket, i.e. CZK 400. The condition is, however, that the stowaway caught would buy an annual coupon worth CZK 3,650 immediately after the fine is granted. More than 5,000 passengers have used this option.

Since the 1st of July 2018, the MOS Multifunctional Check-in System has come into force, introducing a software, hardware and personnel system means that provide passengers with access to transport services ensured by carriers within the PID system. A new "PID LÍTAČKA" mobile application that is valid in the entire PID system came into operation on the 1st of August 2018, with the possibility of buying short-term fare and searching for the most suitable fare. From the 1st of October 2018, as part of the improvement of passenger services, the Prague City Council decided to adjust the prices of Prague pre-paid coupons for Junior, Student and Senior categories in the PID Tariff.

In order to be able to carry out passenger transit inspection in the new conditions, based on a contract for work with TELMAX s.r.o., the Transit Inspection was equipped with a new "KZR 01" reader. This device is equipped not only with a mobile phone, which has an application for the inspection of tickets, an application for checking SMS tickets and QR codes but also with a bank terminal, which serves as a reader for smart cards and as a terminal for payment of fines at the place of inspection.

Co-operation in regard to recovering unpaid claims from transportation continued with four law firms (Mgr. Ambrož, Mgr. Zikmund, KGS legal Bar Association and Mgr. Bodlák). This year, CZK 26,365,488.00 was recovered from the transferred receivables; CZK 50,650,751.00 from the commencement of the cooperation. At the same time, the Board of Directors decided on the returned receivables by using the offer of the Czech Post and its DINO service to further recover such returned receivables, based on a contract of mandate.

The cooperation with the Municipal and Czech Police continued in the planned joint inspections. In addition to day-to-day cooperation on nighttime lines, 141 inspections were organised with the cooperation of the Police.

Number of sanctions imposed	Income from sanctions in CZK million
243 083	143,15
i.e14.5% in comparison with 2017	i.e7.07 % in comparison with 2017

TRANSIT AND TRANSPORT SURVEYS

In 2018, in the PID network, we conducted the following transport surveys as a basis for transport planning in the Capital City of Prague and also in the neighbouring region, aiming to optimise the matching of supply and demand:

/ in April, a regional survey of 58 bus routes in the southwestern part of the Capital City of Prague, including the adjacent region

/ in October, a regional survey of 61 bus routes in the southern part of the Capital City of Prague, including the adjacent region

/ metro transport surveys in the maximum profile of individual routes at a regular monthly interval / surveys of the operational nature from which we choose:

we carried out verification surveys of the transport capacity of substitute bus vehicles
 (e.g. closure of the tram track on Zenklova, Kolbenova, Karmelitská, Vinohradská,

Jindřišská, Vodičkova and Štefánikova Streets and in the area of Libeň Bridge, Újezd u Průhonic, Libuš and Satalice)

- we monitored the effect of closure activities on regular surface transport lines (e.g. closure of Husitská Street, closure of metro C line)
- we monitored the utilisation of tram lines at selected stops in connection with the preparation of closure activities (e.g. Želivského, Flora, Olšanské náměstí, Zborovská, Výtoň)
- we carried out the monitoring of transport capacity at selected tram stops in midnight and weekend operation
- we repeatedly monitored the utilisation of the newly introduced trolleybus line
- we were monitoring regular PID lines at selected stops
- we conducted regular verification surveys of the functionality of automatic counters of passengers in the metro.

From January to April, data collection was carried out using an automatic passenger counting system installed in two SOR NB18 vehicles dispatched from the Hostivař garage (most often on lines 125, 136 and 188). In this context, we conducted surveys to verify system accuracy.

Thanks to the successful launching of the continuous remote data transmission from automated passenger counters at all metro stations in November 2016, in 2018 we also received passenger turnover from the entire metro network for all 365 days.

Throughout 2018, we carried out a continuous detailed diagnosis of the data from all metro stations using ASW Surveys enhanced with new diagnostic tools.

In 2018, in accordance with transport surveys, a total of 1,167,793 ths. passengers were transported by the means of transport of the Prague Public Transit Company, of which:

- / 430,919 ths. passengers travelled by metro,
- / 375,466 ths. passengers travelled by trams and used a funicular to Petřín,
- / 355,001 ths. passengers travelled by urban bus lines including ZLD and AE,
- 43 ths. passengers travelled by trolleybus,
- / and 6,364 ths. passengers travelled by suburban lines including outlying zones.

RATE OF ACCIDENTS

The rate of traffic accidents increased by 5.67% in 2018; the year-on-year increase was 198 accidents [3692/3494]. In metro operation, the number of accidents increased by 5 (21/16), the number of accidents in tram operation increased by 13 (1585/1572), the number of accidents in bus operation increased by 177 (2083/1906) and the number of accidents in trolleybus operation was 3 (3/-).

The number of accidents caused by DPP employees increased by 15.40% year on year; the increase was 197 accidents (1476/1279); of which there was no accident caused by DPP employees in metro operation (0/0), the number of accidents in tram operation increased by 26 (261/235), in bus operation by 171 (1215/1044) while, in trolleybus operation, there was no accident caused by DP staff.

In the case of traffic accidents of DPP vehicles, 19 persons were killed in 2018, which is 14 more than in 2017 (6/2 in metro operation, 11/3 in tram operation, 2/0 in bus operation and 0/- in trolleybus operation).

INFORMATION FOR PASSENGERS

Information about lines, timetables, tariffs and tickets, etc. represents an integral part of services provided by the Prague Public Transit Company. Accurate, up-to-date and high-quality information is one of the most demanded in this area and influences a good opinion of the public about the entire business.

Passengers usually encounter this information in printed, electronic and acoustic forms in metro stations, at surface transport stops and also directly in vehicles. Other printed information materials, updated in accordance with significant changes in the routing of lines, tariff, etc., appear in the wire programme stands at metro stations.

The most important information events in 2018 included, for example, longer-term closures accompanied by various traffic measures that were taken in several different stages, e.g. the reconstruction works on Zenklova Street (lasting from January till September) or on Husitská Street (lasting from March almost until the end of November), events with emphasis on the provision of operational information such as the closure of the Libeň Bridge or the road bridge at the Vltavská metro station, which required extensive closure of the tram traffic, closures of certain sections of metro due to necessary repairs of the track and other closures that also very significantly interfered with the routing of lines in the central part of the City.

For these events and also for other planned and extraordinary events with an impact on the routing of lines and accompanied by permanent and temporary changes (e.g. permanent changes in the operation of the PID system, including the commencement of the operation of trolleybus line No. 58, other closures in regard to tram operation, closure of some entrances to metro stations due to escalator reconstruction and other reconstruction works or even transport measures associated with large cultural and sporting events), i.e. for a total of 70 significant events, boards with the site map of the area were prepared in addition to text information messages provided on the affected surface transport stops. Several different types of leaflets (the number of leaflets per event varies in accordance with the severity and impact on the routing of lines) were published for a total of 35 events. In the course of the year, 222 information messages were also prepared on the topic of temporary or permanent changes in the operation of the PID system for possible use in the press and for DPP websites and 230 reports for metro stations. In order to inform about more significant changes in in the operation of the PID system, large information boards, which are directly managed by the DPP, were used and placed in the areas affected by the change in the case of 36 events.

The members of DPP information staff were deployed at major transport hubs and places that were affected by changes during 53 more significant closure events and provided passengers with the information concerning traffic measures associated with these changes on the spot, both in Czech and in English.

The increasing trend of events with an emphasis on passenger information has been confirmed. For example, compared to 2017, the number of events with deployed DPP information staff increased by approximately 75%, the number of reports in metro stations increased cca. by 50% and the number of events for which the boards with traffic plans were being prepared increased from 28 to 70.

In 2018, 3219 trips to all tram stops and bus stops owned by DPP took place to ensure the updating and maintenance of information at surface transport stops (this represents an increase of cca. 29% compared to last year), both in the territory of the Capital City of Prague and in the adjacent region served by PID lines (placement and removal of portable stop signs during temporary traffic arrangements, modifications of information elements on stops, exchange of individual stop timetables - this year in a total number of 96303 pcs - which, due to improved preparation coordination represents a decrease by cca. 7% compared to the previous year,

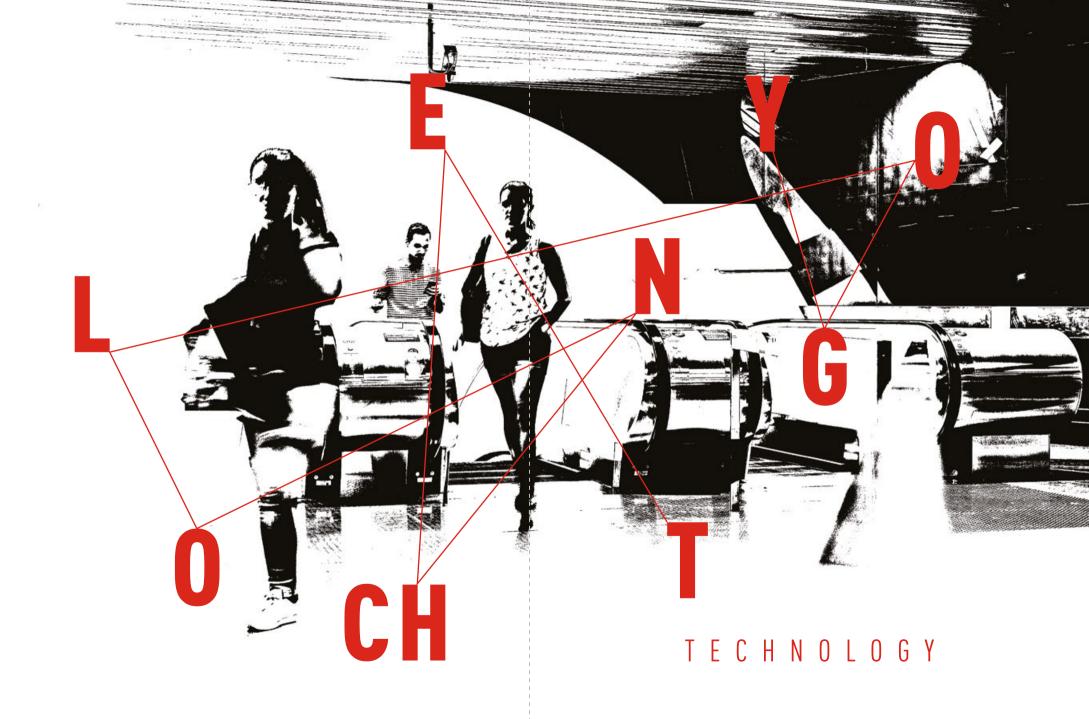
distribution, installation and the subsequent removal of information boards, changes and minor maintenance of stop signs, etc.]. In 2018, 7792 pcs of elements of the passenger information system were produced for all implemented traffic measures and extraordinary and regular events that were placed on stop posts providing up-to-date information for the specific stop.

Some other information materials for passengers were also published in updated form, such as maps of Prague with the depicted PID network (in a folded form for sale at the DPP Information Centres and in a non-folded version for showcases in metro stations and selected shelters at surface transport stops), A3 sheets with a street map of the City centre and a scheme of metro and tram lines and tram and metro line schemes for tram cars. In September, a series of leaflets with excerpts from the Contractual Transport Conditions for Metro and Surface Transport was issued in a new form and information showcases in metro stations also got a new look whereby a purely textual version was replaced by a version with more concise texts and the greater use of graphic elements and pictograms.

Transport Information Centres and the DPP Fanshop

In 2018, the Transport Information Centres continued to provide passengers with comprehensive information on PID traffic and tariffs and also provided the sale of individual and time tickets and, last but not least, the free distribution of information materials and the sale of publicity materials and souvenirs. In 2018, the Transport Information Centre Anděl was closed for a period of about five months due to the reconstruction of escalators. A new duplicate sales service for paper time tickets was introduced in the Transport Information Centre Hradčanská. For the whole of 2018, more than 1.6 million passengers were handled by the Transport Information Centres, while the share of foreign language clients exceeded 40%, which represents a slight increase of 3% compared to last year. More than 80% of visitors bought one of the tickets offered. The busiest branches were again the information offices at the Main Train Station, followed by the Information Centre at Václav Havel Airport.

The operation of the Fanshop of the Prague Public Transit Company that is run by the Department of Transport Information Centres commenced in November 2018. This Fanshop offers transport souvenirs and publications produced by DPP and partners. By the end of 2018, 416 orders with 990 items worth a total of more than CZK 150,000 had been dispatched. Most often, these were items from the T3 Coupé collection, books and brochures, T-shirts, mugs or USB flash drives.





The more significant events of 2018 included the continued reconstruction and modernisation of some metro stations, including the reconstruction of escalators. The implementation of barrier-free access to the Palmovka station was completed. The company managed to ensure the complete reconstruction of the double rail coupling and adjacent four switches in the gravel bed, including the exchange of gravel in the Dejvická station. One of the most important events in the area of tram track reconstruction was the extensive reconstruction on Zenklova Street on the Palmovka - Bulovka section, implemented by its own means. Also, the number of barrier-free tram stops increased to the current 79% of the total.

For the sake of improving the City's living conditions in the future, we continued our pilot project and trials with the deployment of an electric bus and an accumulator trolleybus on lines Nos. 109 and 58.

In 2018, as in previous years, the number of operating vehicles remained unchanged and the average age of vehicles rose linearly by one year. In 2018, the average age of buses was decreased under nine years; last year this limit was exceeded, due to the fact that the anticipated replacement of the fleet did not take place. The low-floor trams of the 15T type are gradually replacing old trams, whereby the average age of the fleet in 2018 remained virtually the same since 2016. The percentage of tram repairs is negatively affected by the decommissioning of 14T vehicles and the higher percentage of the repairs of 15T vehicles.

COMPANY'S FLEFT

Metro

As of the 31st of December 2018, the metro's operational fleet comprised 730 vehicles, of which there were:

/ 465 items of reconstructed vehicles of the 81-71M type and / 265 items of the M1 type vehicles.

For the near future, this is a fixed number and no increase is expected. Two historical sets, which consist of 3 cars of the Ečs type and 5 cars of the 81-71 type are not included in the operating fleet of the metro vehicles. These sets are intended for the implementation of the Adventure Tourism programme.

The overall repair percentage for 2018 was 14.10%. The average operating vehicle age was 13.35 years.

Trams

As of the 31st of December 2018, the tram fleet comprised 818 vehicles, of which there were:

48 modernised low-floor KT8D5.RN2P vehicles

/ 48 T6A5 vehicles

/ 57 low-floor 14T trams

/ 243 low-floor 15T trams

/ 347 T3R.P vehicles

/ 35 partially low-floor T3R.PLF vehicles

/ 40 T3SU, T3M and T3M2DVC trams

(this number of 818 does not include historic trams)

The second pilot project for the reconstruction of the T3R.P_A (reg. No. 8220) for the T3R.PLF low-floor design (new reg. No. 8285) was completed in 2018. The structural work was implemented in the Repair and Engineering Workshop in Krnov (KOS Krnov). Refurbishment of electrical equipment was carried out in the Tram Repair Shop in cooperation with the Cegelec Company, which is the supplier of modernised electrical equipment.

In 2018, modernisation of another two KT8D5 vehicles (originally from Miskolc) continued in cooperation with KOS Krnov, with the anticipated completion date being in the first half of 2019 (new reg. Nos. 9101 and 9102). In 2018, the crossbars were repaired on 15 14T cars, of which 9 14T cars also underwent a minor modernisation, consisting in the modification of the vehicle interior,

including the installation of new plastic seats and a change in the exterior colour design of the vehicle. Successful reconstruction of the T3R.P_D vehicle reg. No. 8497 that was damaged during a major traffic accident for the T3Coupé sightseeing vehicle (new ev. no. 5573) took place in the Tram Repair Shop in cooperation with Anna Marešová Design Studio. Thirty-four T6A5 trams were decommissioned and are gradually sold or disposed of. Nine T6A5 trams and 1 T3M tram were sold in 2018. Additional 22 low-floor trams of the 15T type in a modernised version with air conditioning of the passenger compartment and the possibility of Wi-Fi connection were included in the regular operation with their home depot in Žižkov. The average age of the operational cars reached 11.14 years; with the decommissioning of older production date trams, the fleet age will continue to decrease.

The overall repair percentage for 2018 was 19.97%. This number continues to be negatively affected by the decommissioning of a part of 14T vehicles and the increase in the repair percentage of the 15T vehicles, mainly due to a longer repair period.

Buses

As of the 31st December 2018, the operational fleet comprised a total of 1161 buses, of which 498 articulated buses (443 low-floor buses), 598 buses of a standard length (483 low-floor buses) and 65 midibuses (all of them are low-floor buses). Public procurement for up to 300 standard low-floor buses has been successfully completed. Within the implementation of the multichannel check-in system (MOS), the application of the elements of this system to 118 buses was carried out. A total of 130 buses were refurbished during the year 2018 (71 standard and 59 articulated buses). All the buses delivered were and will be fitted with full-load compressor air-conditioning systems, increasing the proportion of buses equipped with these air-conditioners to 16% of the bus fleet. Based on the request of the ROPID company, trial operation of the IVECO Crossway LE three-axle bus with a length of 14.5 m was implemented. On the 1st of July, the new Škoda 30Tr battery trolleybus that is designated to verify the operation of the dynamic charging method was successfully commissioned as part of a long-term lease.

The total repair percentage for 2018 was 9.19% and the average age of the vehicles was 8.59 years.

In-house transportation

During the year, standard transportation services were provided by passenger, freight and special vehicles and construction machines and mechanisms.

In accordance with the approved plan for the development of electromobility in DPP, the In-house Transportation Department commenced the implementation of the first of three planned stages in the form of the replacement of referent vehicles by electromobiles. The first stage is addressed as a three-year lease of ten personal electric cars. The second stage counts with the replacement of referent vehicles by electric vans. In the first half of 2018, we used the possibility to apply for support from the State Environmental Fund of the Czech Republic for the acquisition of passenger cars and vans. At the same time, a public contract for the acquisition of vehicles was announced. The delivery of ten electric vans is planned for 2019. In the course of the year, the vehicle fleet was renewed by purchasing the following standard vehicles: two new FIAT Talento VANs, the new Mercedes Benz AD-14 mobile crane for the Overhead Operation, a Renault flatbed truck with a modified loading platform, a Renault flatbed - training truck and IVECO bus for the Education - Buses Department, 4 MB UNIMOG vehicles for the Upper Construction enterprise, Mercedes Benz Antos – a two-way telescopic platform for the Overhead Operation, seven new ŠKODA Fabia combi vehicles, as a replacement for returned emergency vehicles from the ending operational lease, four new FIAT Talento combi vehicles, as a replacement for worn-out existing vehicles, TATRA - a bus tractor, Multicar - a multi-purpose vehicle with interchangeable bodies, a dual rail vehicle with the UNIMOG UGE 453side panel, Mercedes Benz AROCS – a mobile AD-30 crane. We refurbished 26 vehicles in total.

TRANSPORT INFRASTRUCTURE

Metro

The Metro Transport Infrastructure Unit operated, maintained and repaired the following technological units:

The backbone power system based on: 22kV power supply cables with a total cable length of 493 km from 15 110/22kV PRE substations to 18 electrical stations and 22kV distribution cables with a total length of 495 km; 70 electrical stations, including 25 distribution transformer stations [MT]; 1 substation and 44 substations and distribution transformer stations (MDT), in which there are 342 transformers, of which 97 traction and 245 distribution transformers; a traction power network with a cable network of 302 km; the lighting system that represents 42,000 pieces of luminaires in public areas, 44700 luminaires in service areas and 24300 luminaires in track tunnels, couplings, ventilation shafts, etc., i.e. a total of cca. 111,000 luminaires; a lighting control system; 157 uninterrupted power supplies (UPS); and automated dispatching control systems for electrical equipment and lighting.

Safety and automation equipment, which consists of station and track signalling equipment, a stationary part of train protection systems on all metro lines, the automated traffic control system.

Communication equipment, i.e. telephone equipment, including a telephone network of DPP surface objects, the DPP access system, electrical fire alarm systems, electronic security signalling, a CCTV system, clock equipment, radio equipment, check-in system, information systems (AIS, VIP), technological optical network, guidance systems for people with visual impairment, radio communication equipment (VHF), electronic access control system (ACS), etc.

Metro stations, tunnels and operational buildings, representing 61 metro stations, 169 km of a single-track and 108 km of tunnels. There are 139 km of track lines (incl. junctions between tracks and to depots), 5 km of test tracks, 23 km of tracks in depots and cca. 2 km long siding from Kačerov depot to the SŽDC track. Of the 108 km of tunnels, 88 are single-track and 20 km are double-track.

Independent traction rail vehicles for metro maintenance and repair: 37 traction vehicles, 3 special traction vehicles and 108 driven vehicles.

Transportation equipment is represented by a total of 268 escalator arms, 155 lifts and 5 platforms.

Mechanical - technological equipment is represented by 177 main ventilation fans, 3667 station ventilation fans, 6242 fire dampers and fire wall closures, 431 pieces of equipment belonging to the technological part of the Automatic Dispatching Control System, 518 faecal sludge and non-faecal pumping stations, 25 heat exchanger stations and 13 boiler rooms.

In addition to the basic machinery and equipment, the metro protection system [MPS] comprises special equipment for filter-ventilation, pressure protection, equipment for securing an independent source of energy and water. An anti-chemical warning system is also part of the metro protection system at some stations.

During 2018, all the departments of the Metro Transport Infrastructure Unit participated in various stages of preparation or implementation of large-scale investment projects. It was mainly the reconstruction of the western vestibule of the Náměstí Republiky station, including the replacement of 3 escalators. The second and the third stages of the reconstruction of the Muzeum station on the A line were completed. The following projects were also completed: retrofitting of escalators in the Nádraží Veleslavín station; reconstruction of the eastern vestibule of the Palmovka station, including the replacement of escalators; reconstruction of the Skalka station, including the replacement of escalators; reconstruction of the northern vestibule of the Anděl station, including the replacement of escalators; and complete reconstruction of lighting in the Dejvicka station.

The reconstruction of the Resslova vestibule in the Karlovo náměstí station, including the replacement of escalators, was commenced. The project preparation for the demanding reconstruction of the Florenc C ceiling slab associated with the construction of two escalator arms and the lift to the bus station and the complete reconstruction of the original vestibule of the station continued. The project preparation for barrier-free accessibility of the Opatov and Karlovo náměstí stations continues. The project preparation for the reconstruction of Jiřího z Poděbrad and Českomoravská stations continues, which always includes the replacement of escalators and barrier-free access to the station.

A full- substitute metro electro-dispatching in the I. P. Pavlova station was put into operation and a new measuring cable vehicle was put into operation for diagnosis and troubleshooting in 22kV distribution lines. In 2018, the extensive investment project of the comprehensive metro security system came to its final stage and the replacement of local telephone exchanges was also completed.

The second stage of the Vltavská metro station repair is underway, including the repair of the station's vestibule and the Faun and Vltava fountains. The insulation of the ceiling structures over the technical premises of the Vyšehrad metro station was implemented. With the use of extended weekend breaks, wooden sleepers were replaced by concerete ones in the 1st and the 2nd track of the Pražského povstání to Budějovická section. As part of transport closures, i.e. without any impact on the operation of the metro with passengers and by its the own forces, the Metro Transport Infrastructure Unit implemented a complete reconstruction of the double rail junction and the adjacent four switches in the gravel bed, including the exchange of gravel in the Dejvická station. Rail grinding and/or replacement was carried out in accordance with an approved plan, particularly on the B line. All of the above-mentioned projects have a significant impact on reducing the noise load caused by the metro operation. Two special traction vehicles - measuring vehicles for track superstructure diagnostics - were modernised.

The main ventilation is being modernised gradually in the oldest operational section of the I.C metro, more extensive repairs of station ventilation, internal water supply systems in stations and tunnel water mains are ongoing. 10 refuelling stations on lines A and C also underwent more extensive modernisation.

Technological and MPS services, in co-operation with other services of the Metro Transport Infrastructure Unit and other DPP units, are involved in the search for and implementation of efficient energy-saving measures.

Trams

The Tram Transport Infrastructure Unit (TTIU) has been responsible for the operation, maintenance and repair of technological units managed. The process of modernising tram tracks continued with the aim of increasing driving comfort, reducing travel times, extending the service life by using modern designs and, last but not least, reducing noise.

2018 commenced with a long-term eight-month closure of Zenklova Street on the Palmovka - Bulovka section, where work began on the reconstruction of the sewer system under the tram track in January. At the end of February, the actual reconstruction of the tram track commenced using the company's own resources. The reconstruction of the sewer system, roadways, pavements, public lighting, the bridge over Rokytka and other works took place together with this DPP project.

The original tramway track, consisting of large-scale BKV panels, was replaced by a fixed track with the W-Tram system on the Elsnicovo náměstí - Prosecká section. On the remaining section, up to the Bulovka stop, the track is newly constructed using an NT1 rail on concrete sleepers in a gravel bed. The reason for this solution is the planned construction of the Libeň junction, during which it will be necessary to dismantle the tram track, which will be significantly simpler with reinforced concrete sleepers than would be the case with a concrete slab. The cover is in both cases cast asphalt. The actual adjustment of the tram line routing on the street resulted in increased driving comfort, while longitudinal dividing fittings were added in between the Vosmíkových and U Kříže stops. During the reconstruction, the Stejskalova stop was relocated to the area in front of the Sokol sports centre in Libeň. It now now bears the name Libeňský zámek and consists of two opposite boarding islands. The original boarding islands at the U Kříže stop have been cancelled and the new stop is formed by two opposite stop capes located at the point of the original stop in the direction from the centre. The Vosmíkových stop is now also formed by two stop capes in approximately the same position as the original stops.

In January and February, a major repair of the tram line in Malá Strana took place, concurrently with the closure of Zenklova Street. The vast majority of arcs in Letenská and Karmelitská Streets were replaced. At the same time, the rail fence and the related arcs were replaced on Malostranské Square, including reinforced concrete sleepers. Further, a new type of paving was installed on Malostranské Square, corresponding to the future appearance of the entire square after reconstruction.

Concurrently with the works on Zenklova Street, the Upper Construction enterprise of the Tram Transport Infrastructure Unit carried out a reconstruction of the tram track on Kolbenova Street and a major repair of the tram track between Kolbenova Street and the entrance to the Hloubětín

depot. In the entire section of Kolbenova Street, large-scale panels were replaced with 49E1 rails on reinforced concrete sleepers in a gravel bed. In almost the entire length the tram track is grassed and provided with irrigation. In the case of a separate body alongside the Hloubětín depot, the grooved rails on wooden sleepers were replaced by the 49E1 rail on reinforced concrete sleepers. The Vozovna Hloubětín stops (at the entrance to the depot) were established on this section and the Kolbenova and Poštovská stops underwent reconstruction. The Poštovská stop was put into operation following the reconstruction of the Kolbenova x Poštovská intersection after the summer holidays.

The tram track on Vinohradská Street between the Flora and Želivského stops was reconstructed during the summer months, including the entrance to and exit from the Olšanské hřbitovy turning loop. The tram track now consists of the 49E1 rail on reinforced concrete sleepers in a gravel bed. The tram track is grassed and provided with irrigation in between the stops, while in the area of stops and rail structures it is paved. The construction was carried out by an external contractor. The Upper Construction enterprise of the Tram Transport Infrastructure Unit coordinated the exchange of the adjacent double-track branching at the junction of Jana Želivského and Vinohradská.

Simultaneously with the project on Vinohradská Street, the Upper Construction enterprise of the Tram Transport Infrastructure Unit carried out a complete repair of the tram track on Škrétova Street. Worn out, sometimes 52-year-old rails on reinforced concrete sleepers were replaced by new types of NT1 on reinforced concrete sleepers in a gravel bed. The tram track cover is made of asphalt cast in the area travelled by cars, while the rest of it is comprised of gravel. At the same time, the rails were replaced in the arc to Vinohradská Street at the Muzeum stop.

In 2018, the reconstruction of track supports commenced in the \check{Z} ižkov depot with planned completion in 2019. In the Central Workshops, construction work was being carried out on the extension of the assembly pit on the 4th track with the simultaneous repair of the floors in the area of the 4th and 5th tracks, which required the replacement of rails and their fastening. Currently, the W-Tram system with NT1 rails is used there.

During 2018, several minor repairs or replacements of tracks and track structures took place. The primary purpose of this work was to eliminate sections that were in poor technical condition and, as a result, restricted tram speed.

In January, the first major project was implemented, during which the outer and the middle arc of the Nádraží Hostivař turning loop were replaced.

In September, the emergency replacement of rail arcs was implemented at the Národní x Spálená intersection. Hard-welded rails are used there now. Subsequently, the worn out rails were replaced at the crossing of Hybernská Street near Masarykovo Railway Station. Additionally, in September, the rail arcs at the entrance to the Černokostelecká turning loop were replaced, replaced were the rails on unsatisfactory level crossing panels at the Černokostelecká x Dřevčická intersection and the replacement of rails in the return arc of the turning loop at the DP's Central Workshop.

Autumn belonged to a major repair of tram tracks in the city centre. In October, the first rail exchange in the arc was performed using the W-Tram system. It was a section on Kinský Square installed in 2009. The rails were provided with hardfacing to ensure their long life. This eleven-day event took place as planned.

The event was followed by a complete repair of the Lazarská x Spálená intersection, where the worn out, grooved ferroconcrete sleepers were replaced by wooden ones and the rails were replaced in stages in the entire length of the rail construction. In the arc of Karlovo náměstí - Lazarská hardweld rails were also used. The third stage of the repair included the replacement of the three-way two-track branching at the National Theatre, which was followed by the replacement of the rail crossing in the middle of the National Theatre intersection. At the same time, cca. 60 metres of the tram track on Vítězná Street was repanelised.

At the turn of November and December, the track at U Výstaviště was repanelised in the area of the Výstaviště Holešovice stop at a length of cca. 60 metres and the adjacent double-track branching with the connecting arcs to Dukelských hrdinů Street was replaced.

In addition to these events, several other smaller-scale events took place in the course of the year, such as the exchange of switch points, arcs, arc welding, sanding of waviness and rolling and repairing surfaces.

Modernisation of the railroad was accompanied, in many cases, by the modernisation of the overhead contact line, as is usually the case every year. The most extensive event was the reconstruction of the tram track on Zenklova Street, during which the overhead line was reconstructed from the Zenklova x Elsnicovo náměstí junction to the Zenklova x Bulovka intersection. On Vinohradská Street, the overhead line was reconstructed on the Vinohradská x Hradecká - Vinohradská x J. Želivského section, including the Olšanské hřbitovy turning loop. The overhead contact line was also modified as part of the construction of the SUOMI Hloubětín residential complex before entering the Hloubětín

depot and on Kolbenova Street. Modifications of the overhead contact line were also carried out as part of the emergency bridging at Vltavská during the TSK event.

Last but not least, emergency replacement of individual overhead poles was carried out, for example on Nádražní and Na Ohradě Streets. Additionally, minor modifications of and interventions in the overhead contact line were carried out that were caused by cooperation with the projects of foreign investors.

Tram tracks and associated posts for overhead contact lines and lighting were built at the National Museum.

The replacement of plastic boxes, the renewal of exhaust cables for rails and the reconstruction of cable lines for tram stops were carried out mainly within the framework of the modernisation of the cable network. LED light bulbs have been installed in other tram stop markers as part of a programme for the reduction of electricity consumption.

In connection with the work carried out as part of the MO Blanka construction, the cable network of the Klárov substation was replaced and reinforced at a length of cca. 700 m to ensure a more reliable power supply of tracks in the Letná area. Power dividing boxes are being continuously repaired by replacing bolted busbars with disconnectors that enable more operative and safer handling in the power grid.

To reduce the spread of stray currents and their effects, especially on older metal gas pipelines, one new electric polarised drainage was built within the SUOMI Hloubětín project.

Refurbishment or installation of new electrically operated switches (EOS) was also carried out during reconstruction of the tram tracks. A total of 10 EOS systems were implemented. During the reconstruction of TT Vinohradská, one independent exchange heating was established. Light-signalling devices at intersections were supplemented by tram detection by means of preferential inputs, 9 pieces of which were installed.

In 2018, the number of barrier-free tram stops continued to expand. As part of the reconstruction of tram tracks, the Libeňský zámek, U Kříže, Vosmíkových, Vozovna Hloubětín, Kolbenova, Poštovská, Želivského (near Strojimport), Olšanské hřbitovy and Pod Jezerkou stops in the direction of centre underwent a fundamental change. Other events, directed by TSK, included the modification of the Maniny and Kamenická stops and also of the Pod Jezerkou stop in the direction from the centre in

connection with the reconstruction of roads and pavements on Nuselská Street. Currently, 79% of tram stops in the network are barrier-free.

In the course of 2018, a complete replacement of the 22kV switchboard was carried out and the installation of overvoltage protection on the primary windings of the traction transformers in the Řepy substation was performed. Additionally, control switchboards of electric disconnectors of motor drives of supply points and section dividers were replaced at Krejcárek and Braník substations.

INSPECTIONS

The main activity within DPP is to guarantee the correct legislative operation and technical supervision of designated technical equipment (DTE) in accordance with Act No. 266/1994 Coll. and reserved technical equipment (RTE) pursuant to Act No. 174/1968 Coll. under the jurisdiction of the Rail Authority and TIČR. In 2018, the Inspection Department provided 3457 revisions internally and 369 externally of DTE and RTE (gas, pressure, electrical, lifting and transport) at specified and extraordinary dates. The Inspection Department holds two certificates to carry out technical inspections and tests issued by the Ministry of Transport stipulated by Act No. 266/1994 Coll. In addition, 6598 revisions of appliances with movable supply were contracted.

FACILITY MANAGEMENT

This department provides technical management of the individual metro depots, tram depots, bus garages, the Sokolovská office building, the Central Dispatching Centre, the network of social facilities at terminal stations, recreational centres, land and other buildings.

In 2018, using the ServisDesk application, cca. 4138 cases were resolved within the operational and technical maintenance of the entrusted property. In the area of the environment, the Environmental Department updated 10 plans of measures in case of an emergency pursuant to the Water Act (254/2001 Coll.). For preventive reasons, the monitoring of hot water distribution continued, focusing primarily on the monitoring of the pathogenic bacterium Legionella. Within the monitoring, 126 sampling checks were performed at DPP sites. In the area of wastewater management, cca. 200 inspection samplings were carried out by the Environmental Department to determine the quality of waste water discharged. In accordance with the requirements of Act No. 201/2012 Coll., on air protection, an authorised measurement of emissions at the Florenc boiler plant and at the tram repair hall in the central depot in Hostivař was ensured and the operation permit was updated at the Prague City Hall and the operating rules of the defined air pollution source were updated in connection with the construction of a new paint booth. In addition, the Environmental Department staff carried out waste management inspections at all DPP sites and also other inspections focused

on compliance with the operating regulations and general statutory regulations related to all components of the environment.

POWER ENGINEERING

In 2018, we continued to promote positive changes in contractual relationships and thereby reduce energy costs. Another priority area was to identify and promote potential energy savings.

Electricity

At present, the transit company is also the largest municipal consumer of electricity. In 2018, total electricity consumption was 369 million kWh. Financial costs for electricity in 2018 totalled CZK 796 million. For the subway and tram traction operation, 243 million kWh was consumed. The cost of this energy was CZK 522 million.

Heat

The main and largest supplier of heat for DPP in 2018 was České teplo, s.r.o., a company that provides heating and maintenance of heat networks and water distribution systems in Hostivař, Kačerov and Pankrác depots (stage 1), Zličín depot, Motol depot, garage in Řepy, garage in Klíčov and garage in Vršovice (stage 2). From the 1st of January 2018, due to the significantly lower price for the total service and supplies, the cooperation with this company was expanded to include stage 3, which comprises the above-ground premises of Žižkov, Vokovice, Strašnice, Střešovice, Hloubětín and Kobylisy depots. In 2018, we purchased 229 ths. GJ of heat, for which we paid CZK 132 million. The supplies of heat from other suppliers amounted to 25 thousand. GJ, for which we paid CZK 12.8 million.

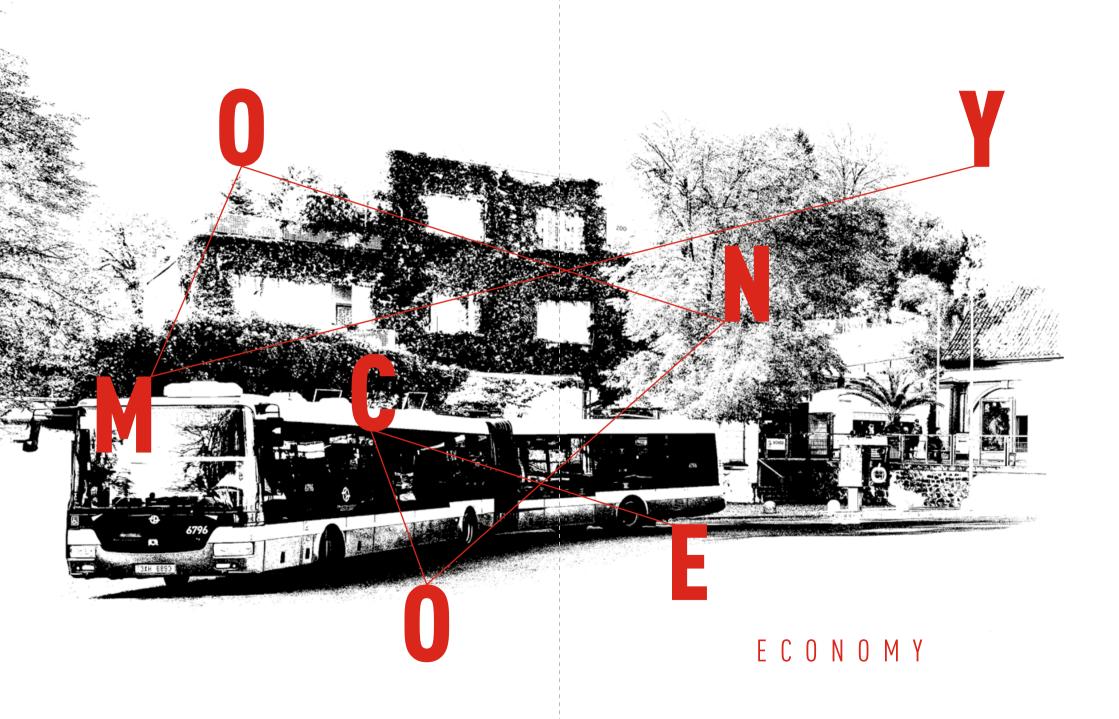
Natural gas

From our own sources (gas boiler rooms) we provided heat in the Florenc metro station, in the Radlice technical centre and in the building of the Central Dispatching Centre. Gas consumption in 2018 was 761 ths. m³ for CZK 6.1 million.

Water supply and sewerage

The water supplier for DPP is Pražské vodovody a kanalizace, a.s. In 2018, we utilised 581 ths. m³ for the price of CZK 22.5 million. The sewer rate includes not only water supply but also water leaks in the metro and rainwater. In 2018 we paid sewerage for 2 129 ths. m³ in the amount of CZK 72.3 million.

The total cost of all types of energy (electricity, heat, gas, water, sewerage) was CZK 1,042 million in 2018.





INTRODUCTION

DPP provides transport services to the Capital City of Prague and to suburban areas within the Prague Integrated Transport System (PID).

A long-term Contract on Public Services with the Capital City of Prague represented by ROPID (hereinafter referred to as the "City of Prague Contract") has been concluded to provide transport services in the Capital City of Prague.

Public Service Contracts with multiple clients are concluded in regard to the operation of PID suburban lines, namely:

/ basic transport services on the territory of the Capital City of Prague - contract with the City of Prague represented by ROPID,

/ basic transport services in the Central Bohemia Region - contract with the Central Bohemian Region,

/ other transport services - contracts with individual municipalities in the Central Bohemian Region.

DPP fully respects the requirements of Act No. 319/2006 Coll. to keep separate accounts for individual public service obligations and other activities.

THE CAPITAL CITY OF PRAGUE

Addendum No. 28 of the City of Prague Contract, the subject of which was to determine the preliminary estimate of compensation for the calendar year 2018, provided a preliminary estimate of the operating part of the compensation in the amount of CZK 12,527,259 ths. when ordering the transport performance of 178830 ths. vehicle kilometres. The amount of reasonable profit in 2018 was granted in the amount of CZK 1,737,817 ths.

Addenda Nos. 30, 31, 32 and 33 increased the operating part of the compensation for 2018 by CZK 92,229 ths. The subject of the individual addenda was to increase the order of transport performance, especially in connection with the approved transport measures and the co-financing of bus lines 128, 180 and 191.

By evaluating contractual risks, savings were reported for lower transport performance in the amount of CZK 17,032 ths. and higher revenues from fare in the amount of CZK 58,523 ths. The evaluation of depreciation costs for vehicles and DCs, for the non-utilisation of MOS costs and for the higher increase in inflation in 2017 is CZK 26,654 ths. Based on the assessment of contractual risks, the amount to be returned (balance) was CZK 48,901 ths.

Compensation including reasonable profit in 2018 was CZK 14,308,404 ths., when ordering transport performance of 179,992 ths. vehicle kilometres.

SUBURBAN TRANSPORT

Additionally, a subsidy of CZK 63,950 ths. is provided for the following suburban bus lines:

/ for lines on the territory of the Capital City of Prague in zone 0 (CZK 43,404 ths.)

/ for lines operated in outer zones 1, 2 (CZK 12,321 ths. from municipalities and CZK 8,225 ths. from the Regional Authority of the Central Bohemia Region).

In connection with the introduction of nationwide discounts on fares on suburban lines from the 1^{st} of September 2018, a subsidy was provided for the loss from the fare from the Ministry of Transport in the amount of CZK 4,550 ths. (including VAT).

OTHER ACTIVITIES AND ENTRIES

In regard to other activities that are not included in individual public service obligations, DPP proceeds in the determination of their value in order to make them profitable, with implementation taking into account capacity utilisation and productivity.

The entries, which DPP must record from the perspective of its establishment, are allocated to individual activities in accordance with their purpose. These include, for example, provisioning, accruals or deferred tax.

ECONOMIC RESULTS

In 2018, the obligation balance of the public service for the Capital City of Prague, i.e. of the main activity of DPP, amounts to CZK 48,901 ths. The total profit of DPP reached CZK 1,529,146 ths.

REVENUES FROM FARES

Revenues within the entire PID system for the past year 2018 (excluding fare surcharges) are 0.90% higher (+CZK 39 million).

With effect from the 1st of September 2018, nationwide discounts of 75% on the fare for children, juniors and students from 6 to 26 years of age have been introduced on suburban lines and also for seniors from 65 to 70 years of age. With effect from the 1st of October 2018, discounts on reduced time fare for juniors and students from 15 to 26 years of age and for seniors from 60 to 65 years of age and for those in material need on the territory of the Capital City of Prague were also introduced, based on the Resolution of the Prague City Council. In this context, there is also a change in the PID Tariff, whereby an annual subscription is introduced for these categories and 5-month and 10-month fares were cancelled.

Revenues from the sale of time tickets (including employee tickets and transferable tickets) are 0.95% higher (+ CZK 24 million) compared to the relevant period of 2017 and sales of single and short-term fares increased by 0.86% (+ CZK 16 million).

Revenues of DPP in connection with the long-term City of Prague Contract amount to CZK 3,694,421 ths., which represents 83.88% of the total fare revenue within the entire PID system.

THE IT DIVISION IMPLEMENTS THE STRATEGIC IT DEVELOPMENT CONCEPT

The strategic concept of IT development for 2017–2020, which was presented to the company's management in 2017, was successfully implemented in 2018. Several key projects have been completed and others have been launched. The key area for the IT Division was the launch of GDPR projects.

In 2018, a new personnel-wage system was implemented in the transport company. In addition, several key projects have been launched, such as: A New Website of the Transit Company, IT Services Centralisation and Electronic Education System.

In the area of corporate applications, a project for e-shop with promotional items was successfully implemented, which is now already in routine operation. Work has started on the project of electronically controlled documentation in the field of standardisation. A new SAP support vendor in DPP environment has been successfully selected. We managed to optimise the performance of the control report system in connection with the increased demands related to the connection of ticket sales to CPS.

A new system of selling PDOS electronic fare with support of multiple identifiers as a ticket document has been successfully launched (Lítačka Card, bank card, InKarta ČD) including the actual e-shop for selling electronic fare. This system fully replaced the original Haguess system. In the second half of the year, PDOS was fully integrated with the new multichannel check-in system (MOS) operated by the ICT Operator.

Within the framework of operational applications, work continued on all existing systems in accordance with the schedule of individual projects and the requirements of the guarantors. New applications of Operational and technical equipment with two modules, DPP MC including three modules, SR-JVH (application of driver service for historic trams) were successfully completed. A tender for a new supplier of services for the support and development of transport information systems was prepared. The tender dossier was designed so that the systems fit into the new application architecture thereby allowing for their further development without dependence on one specific supplier.

During 2018, the Infrastructure Department participated in many other DPP investment projects using data and server infrastructure. For example, the PDOS check-in system or FlowMon probe installation for the information security centre and more.

In 2018, the first phase of deployment of IDentity Management product was implemented in the area of server management. In cooperation with the Ministry of the Interior, we managed to secure contractual support for the Microsoft products utilised. Virtualisation continues to increase, while reliance on physical servers is reduced and thereby associated costs for HW recovery and server operation are also reduced.

In 2018, public service contracts for service support of data networks and hardware delivery for the annual replacement of active data network elements with ending support (manufacturer's support terminated) were completed. In 2018, the third stage of installation of cabling for new ticket vending machines and moving data racks from offices to dedicated spaces continued to increase physical security and enabled an access control to data network elements. Unified Time Source (NTP) and servers for Network Access Control (ISE) were acquired from the investments. We succeeded in completing the construction of wireless coverage of parking areas in the Motol and Žižkov depots, which also included the modernisation of the camera system. Other projects include the expansion of the pilot operation of providing traffic information and free Internet access for the public via Wi-Fi network at Muzeum A and Muzeum C stations.

In 2018, in the area of user support, Microsoft 365 licences were acquired as a complete intelligent solution that enables employees to work efficiently and safely with computer technology. It includes Office365 services and a set of mobility and security tools combined with advanced terminal and mobile security. Additionally, migration of terminals to OS MS Windows 10 continues.

Consolidation of technical support and services for the multifunctional printing solution in DPP has been completed.

As part of the Mobile Security Project, a solution for centrally managing and securing mobile devices was implemented in 2018.

During 2018, more than 8,700 incidents and 7,600 requests were handled by the User Support Department within the HelpDesk workplace.

ARCHIVE

In 2018, DPP archive received a total of 478 running metres (rm) of documents within the enterprise. Of this amount, 7.5 rm was intended for permanent storage, 74.5 rm for direct disposal, 61 rm for the selection of documents within the discarding process and the remainder for short-term storage in the central registry. Since the 1st of October, the central entry of requests via the ServiceDesk application has been in place. By the end of 2018, a total of 209 cases had been handled in this form, including 168 archive searches, 14 material receipts and 27 information queries. A new research room project and an expansion of the digitisation workplace, documents for the project of the entire reconstruction of the electrical installation, the concept of technical adjustments resulting from the GDPR regulation and the renewal of the large-scale scanning equipment were prepared as part of the archive facility development.

Regular co-operation continued with the Transport Museum mainly in the field of renovation and approval processes of historic vehicles. We also continued to cooperate with marketing and press departments on corporate publications, posters, exhibitions and a DP-Contact. In the area of acquisitions, the most significant achievement was the acquisition of the technical and accounting archive of IDS Praha with a total scope of 598 rm before processing.

REAL PROPERTY DIVISION

The main focus of the Real Property Division on the floor of DPP is the provision of records of real property belonging to DPP that are registered in the public list and also those that are not subject to the registration and subsequently their possible contractual protection.

Based on the documents handed over from other expert sections of DPP, the Real Property Division ensures the compliance of the records of real property in the public list and the actual state of affairs in the field and it also ensures the compliance between DPP's accounting records and public listings. This activity is carried out in 112 cadastral areas throughout the entire Czech Republic.

It is also largely involved in the preparation of investment projects in the form of comments in the preparation of project documentation and subsequently in securing property rights settlement. Support for investment projects represents the basis for subsequent registration in the public list and compliance with future factual conditions in the field.

Another activity is the provision of all contractual relations in regard to the handling of real property and, at the same time, contractual protection of DPP's interests in the event that these are affected by real property belonging to another entity. In 2018, the Real Property Division entered into 293 new contracts related to real property and 57 amendments to previously concluded contracts. Within the framework of the concluded lease contracts for real property, DPP invoiced the rent in the total amount of CZK 206,787,022 and for the fees related to the establishment of usufruct the amount of CZK 10,964,558. Based on the purchase contracts, DPP obtained the total sum of CZK 81,291,913.

The agenda of the Real Estate Division also includes the resolution of legal disputes related to real estate.

STOCK ECONOMY DIVISION

In 2018, the Stock Economy Division focused in particular on optimising the processes included in the Division's responsibilities in the previous period, when extensive organisational measures were taken resulting in a considerable expansion of its responsibilities, especially in the area of spare parts inventory for trams, outfitting components, protective equipment and keeping of support records for purchasing processes.

In 2018, the Stock Economy Division methodically managed and comprehensively coordinated the quality management system implemented in the Central Purchase and Warehouse Management departments. At the end of the year, the supervisory audit carried out by the supranational certification authority verified and confirmed the effective functioning of the quality system implemented, in particular the fulfilment of the requirements of the criterion standard and the successful transition to the current version of ISO 9001:2015 and the achievement of the objectives set. Compliance with certification requirements was fully demonstrated, including a properly implemented and maintained quality management system and its continuous improvement.





PERSONNEL STRATEGY AND HUMAN RESOURCES MANAGEMENT

In 2018 there was no change in the macrostructure of DPP. The organisational structure of the company was divided into transport, technical, economic, HR, safety and security, investment and management sections.

As of the 1st of January 2018, the activities related to the dispatching system were transferred to the economic sector, namely to the Information Technology Unit, Department 410130 – DOS Operation Department and Department 410450 – DOS Administration of Technical Equipment Department.

Since the 1st of April 2018, the construction and transport co-ordination activities have been transferred to Department 100600 – Operation Organisation Department.

HUMAN RESOURCES DEVELOPMENT

As of the 31st of December 2018, there were 10,986 employees in the registered state, of which 9,375 were men and 1,611 were women. The number and the structure of employees are based on the needs and possibilities of employment within our company. The biggest group is represented by drivers of public transport (39.1%), followed by employees in blue-collar professions (32.3%) and technical and economic employees (28.6%).

The educational and age structure of the company's employees did not change significantly in 2018. Employees of the middle generation with secondary education completed by school-leaving examination and secondary education without school-leaving examination continue to prevail.

The structure of education corresponds to the structure of professions in the transport-technical field.

WAGE POLICY

The company's wage policy was implemented within a single CLA including common rules for the remuneration of all company employees.

The average monthly wage of employees in 2018 was CZK 38,735, while wage expenditures were drawn in the total amount of CZK 5,287,972 thousand. Wage costs were affected by the payment of severance for organisational and health reasons.

In 2018, overtime work increased by 53,634 hours compared to 2017. The share of overtime work in hours worked in 2018 was 7.16%.

WELFARE POLICY

Benefits for employees, through which the company seeks to increase their motivation and satisfaction, were set in accordance with the Collective Labour Agreement for the period 2016–2017 as amended by Appendices 1, 2 and 3.

DPP provided employees, for example, with a contribution to a supplementary pension insurance, supplementary pension savings, life insurance, leisure time vouchers, child recreation allowance, a meal allowance, a contribution to work anniversaries and the first termination of employment associated with retirement or disability retirement, social emergency assistance, and employee fare for employees, their family members and pensioners - former employees.

DPP pays part of the liability insurance for the damage caused to the employer to selected professions, which are defined in the CLA.

In addition, DPP provided the possibility for all employees to take one day of unpaid leave in the month and, in case of sudden illness, another three working days per year with wage compensation. If this time off is not used, the performance will be provided in the form of a contribution to supplementary pension savings or supplementary pension insurance or in the form of leisure time vouchers in the financial amount corresponding to the wage compensation.

EDUCATION AND DEVELOPMENT PROGRAMMES

Within the systematic training of employees, maximum efforts were made to continuously improve the professional knowledge of employees, adapt their skills to the requirements of the specific job and also expand their skills thereby increasing the flexibility of employees in order to fulfil the DPP strategy.

For the third year in a row, a regular annual assessment of the competencies of all technical and economical employees (more than 2,800 employees) was carried out. With this important HR activity, valuable feedback was provided and, at the same time, employees were given the opportunity for their own development - training opportunities, acquiring practical skills and gaining new experiences. Within the framework of selected out-of-workplace training methods, 49 soft skills topics were provided to employees, with 553 technical and economical employees attending.

Periodic staff training and examinations, training courses and seminars were provided on an ongoing basis throughout the year. IT staff courses were also organised for 185 employees. In cooperation with the heads of departments, expert seminars were prepared as part of the Professional Competence Development Programme, responding to changes in legislation and new technologies applicable in DPP. These seminars were attended by 727 employees. With the adoption of the GDPR (General Data Protection Regulation), 2,645 employees have been trained who process personal data within DPP.

The 15th annual accredited educational programme "Management" was held In co-operation with the Secondary Technical School of Transport, which was successfully completed by 23 employees.

An educational programme focused on effective communication and assertive behaviour in dealing with emergency situations was implemented for 62 bus operators. This educational programme was loosely following up on the soft skills already acquired in previous years. Within the framework of cooperation with schools, continuing professional training of Secondary Transport School and short-term professional training of secondary school pupils and students of tertiary professional schools and universities continued at DPP workplaces.

Established development programmes have also contributed to the development, motivation and stabilisation of employees.

Increasing importance has been placed on adhering to the principles of a standardised adaptation process so that its proper and effective functioning contributes to the solidarity of new employees with DPP and thereby to a reduction in turnover. An inseparable part of it is Personnel Initial Training, which also includes the training of employees in DPP's Crime Prevention Programme and the risks arising therefrom. In 2018, 1,047 new employees participated in Personnel Initial Training.

The Graduate Motivation Programme for the graduates from the Secondary Transport School and other technically oriented secondary schools and universities were also used to help ensure generational turnover of employees. In 2018, 14 students of the Secondary Transport School with

an interest in future employment in DPP were involved in the Motivation Programme. A total of 6 graduates were enrolled in the Graduate Programme and were placed in graduate jobs for the performance of manual professions. The lower number of occupied graduate jobs in 2018 was influenced by the greater number of graduates placed directly on vacant systemised jobs.

A Scholarship Programme for Students of Full-Time Study in Technical Fields of Secondary Schools was introduced in 2018 as further support for generational turnover and optimisation of the age structure of employees. In the 2018/2019 school year, 7 Secondary Transport School students, who undertook to joint DPP after successful completion of their studies, were involved in the pilot project of this programme. As part of language training for employees who demonstrably use the world language to perform the agreed type of work, the second year of the group language course was completed, which included 101 employees and the new third annual course started for 81 employees. In the last quarter of 2018, a one-time intensive three-month English language conversation course for 132 transport control employees was successfully completed.

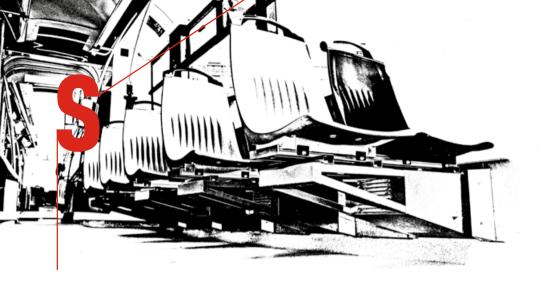
The systematic planning of employees' careers continued with the inclusion of new employees with the prospect of career growth in the Personnel Reserves System Programme and by placing the previously placed personnel reserves on jobs that match their potential. During the course of 2018, vertical career growth to a managerial position took place for 21 personnel reserves and horizontal career growth for 16 personnel reserves. Newly, 41 employees were recruited into the Personnel Reserves System. Personal Development Plans for a period of 2 years have been prepared for all newly included personnel reserves. As of the 31st of December 2018, 216 employees were enrolled in the programme.

Employees also used the opportunity to increase their qualifications by studying at secondary schools, colleges and universities in accordance with the needs of DPP. In 2018, a total of 20 employees with a professional qualification agreement were enrolled in schools, of which 10 at secondary schools and 10 at universities.

Implementation of the Personnel Academy Programme continued, within which employees received up-to-date information on selected personnel processes at DPP and developed their managerial skills.

DPP's interest in the development of employees' careers, the use of their qualifications, operational experience, loyalty and, at the same time, DPP's efforts to increase job satisfaction, motivation and stabilisation of employees were also supported by the development of Career Counselling for Universities and Career Counselling for Secondary Schools.





CONTINGENCY PLANNING

The Objective of Department 600110 – Contingency Planning Department is, above all, the implementation of preventive measures and effective and adequate response to crisis situations. In 2018, the core internal standards for contingency planning were updated on an ongoing basis. The "Crisis Management Bodies" Order was updated several times, with changes in the occupation of individual commissions in connection with organisational measures and changes in job systemisation. The "Crisis Management Organisation" Directive was updated and a new version of the "Evacuation Plans for Surface Transport" was prepared after inspections and mutual agreement with other departments.

Annually, before the spring thaw, the "Flood Plan" and related internal standards were updated. At the same time, changes in the composition of flood committees of individual city districts of Prague were included in the plan in cooperation with the Prague City Hall and the individual city districts.

The Board of Directors of the Company approved the new "DPP's Plan of Crisis Preparedness", which was elaborated in connection with changes in the measure concerning DPP in the Crisis Plan of the Capital City of Prague incorporated by the Fire Rescue Service of the Capital City of Prague in cooperation with DPP.

For the sake of the safer treatment of documents containing information sensitive for DPP, a new directive on specific facts was prepared and approved.

In 2018, employees of 600110 actively participated in meetings of the working group created by the Prague City Hall dealing with the use of shelter units in the Capital City of Prague. We also participated in the verification of the diesel generator functionality in case of power failure in the central DPP building.

Within the framework of the "PROVAS" project, the thematic exercises of the dispatching units continue to be regularly performed. Already several times in a row, DPP thematic exercises have checked the ability of dispatchers to correctly assess the situation in the metro stations, passing fast and accurate information not only within DPP but also towards the IRS units. All thematic exercises carried out so far have verified the correctness of DPP staff's procedures in case of the emergence of such an event, while, at the same time, lead to the conclusion that it is necessary to carry out these exercises on a regular basis so that all employees are trained and tested.

SECURITY AND PROPERTY PROTECTION

The activity is provided by three departments, namely 600120 - Security and Property Protection, 600140 - Security Guards and 600150 - Surveillance Centre - DPPC.

Department 600120 deals with the methodology in the area of personal data and classified information protection, securing buildings in collaboration with security agencies, production and delivery of magnetic and entry cards for external entities and the management of camera systems on DPP surface objects. The department closely cooperates with the municipal police, especially with the Patrol Unit and then also with the Police of the CR - preferably the Metro Department.

Due to regular annual training, access to classified information is currently permitted in accordance with Act No. 412/2005 Coll. to a total of 107 employees. 2 documents in the "Classified" confidentiality mode were prepared in the certified information system and another document is in progress with the expected completion in 2019.

In the area of personal data protection, the General Data Protection Regulation (GDPR) Programme continued, particularly in the area of awareness raising. Additionally, the implementation of the minimum requirements of the GDPR and the consolidation of personal datasets commenced.

In close cooperation with other DPP departments - mainly JSVA, JSVT, JPM and JDCM - thematic exercises of the Police of the Czech Republic and the Prague Emergency Medical Service took place. Overall, there are 21 thematic exercises in total.

Anti-terrorist trash cans were installed in cooperation with JIVA-Jirák, spol. s.r.o. on the platforms of the Skalka, Nádraží Veleslavín, Flora and Náměstí Míru metro stations. In total, there are 8 such trash cans.

In January, a newly installed security camera system in the Central Building on Sokolovská Street was commissioned by the Security Department. The digitalisation of CCTV systems continued in 2018 and its new installation in the Motol depot was launched in the autumn. Work also continued on project documentation for the construction of a digital camera system for the Řepy garage and Vokovice depot. Currently, there are 121 analogue and 159 IP cameras in the administration of this department.

In 2018, a total of 1,427 entry cards and 687 new magnetic cards were issued to external entities. Currently, external entities use 4,015 magnetic cards.

The connected department is Department 600140 – Security Guards, which was established on the 1st of July 2014. It is responsible for the guarding of Hloubětín, Kobylisy, Žižkov, Pankrác, Strašnice, Střešovice and Vokovice depots by DPP employees. The staffing base is 74 employees and 10 workers with a work agreement.

2018 was a year of stability in the department, with a full staffing base and significant progress in service planning and agency use. Coherence and co-operation with other units and departments are gradually increasing enabling more effective fulfilment of one of the important mission and objectives of the department, namely to fulfil the social programme and to help people in their further development and career in the event of a loss of medical fitness to the current job. A total of 27 employees have found refuge in this department after the loss of their fitness. Some of them subsequently returned to their original profession after restoring their health condition or applied to other fields. To date, there are already 18 workers with transfer to other positions. Employees from the social programme make up 23% of the current personnel base.

In the last year, a new access system was introduced in the Střešovice depot together with the installation of a new barrier and the restoration of the lower entrance for tram sets. The camera system modernisation in the Žižkov depot was completed and preparations were made for the digitalisation of cameras in the Vokovice depot. Currently, the department, together with other company departments and Metroprojekt, is involved in the preparation of documents for the construction and technological equipment of the newly planned Hloubětín depot.

In the coming period, we will continue to be interested in raising standards in guard service activities, as well as enhancing cooperation with other departments across the enterprise. Streamlining the flow of information and fulfilling the essence of the social programme, together with safe and secure facilities, remain our priority.

The last and youngest department involved in the security and protection of the property is Department 600150 – Surveillance Centre - DPPC. 2018 was a year marked by two major events for this department.

The first event was the change in our security service provider. For this department, this meant an increase in the number of CSUs to two, with the new CSU being deployed in the Zličín depot. A detailed introduction of new employees to a considerable number of guarded areas meant a great strain for all employees of the department. Another challenge was to set up new procedural rules for the supplier, which are constantly tuned by the department.

The second, no less important, event was the implementation part of the investment project entitled "Building a new DPP Surveillance Centre". The new facility was established in the Hostivař depot and its implementation lasted from April to October, when the trial operation was launched on the 15th of October 2018. The transition to the new place has brought a significant technological leap for DPPC staff. The new workplace is built in accordance with the latest trends in the area of similar workplaces and it enables a significant qualitative shift in the services provided. Of course, there is also a significant improvement in the staff's background. All employees managed to successfully deal with this transition including mastering the new technology, with the department providing its services without any negative impact on their quality.

NSH

The permanent task of the OSH Department is for all employees to pay attention to OSH issues. This requires strict adherence to the applicable legislation incorporated in the DPP's internal regulations.

In line with the regulations, the OSH Department focused on risk prevention last year, which represents a part of comprehensive measures to ensure safe working conditions for all DPP employees. A very important activity in 2018 was the updating of the categorisation of the work of all above-ground workplaces, the training of own employees and employees of foreign organisations

and the organisation of annual comprehensive OSH reviews at all workplaces where cooperation with all professional departments and trade unions is required.

Additionally, the OSH department also participates in the investigation of and compensation for accidents at work, whereby in 2018 there were less serious injuries with incapacity for work, namely 394, and no serious or fatal injury.

An important part of the department's activities in 2018 was the participation in external inspections carried out by public health authorities, labour inspections and trade unions at DPP's workplaces. The very good result of these inspections was the fact that no serious shortcomings were found, otherwise DPP would face financial sanctions.

FIRE PROTECTION

The aim of fire protection activities is to prevent fires, create conditions for their successful extinguishing and minimise their impacts on lives, health and property.

The DPP Fire Rescue Service (hereinafter referred to as the FRS) is the guarantor of fire protection in DPP and a partner for state



In 2018, we recorded a total of 576 FRS interventions in extraordinary events. Of this number, there were 61 fires, 108 interventions in road accidents of road and rail vehicles, 289 technical assistance, 8 exercises and 110 EPS signalling interventions.

In accordance with the Plan of Professional Training of Fire Protection Units for 2018, consistent and systematic professional and physical training of the Fire Rescue Service staff was carried out. Continuous training of emergency procedures for individual types of the metro, tram, bus and newly also grinding vehicles continued. We arranged professional jobs for members of climbing groups, chainsaw servicers and chemical service technicians. We provided regular training for members of the volunteer fire brigade members, providing fire protection for bus garages.

During the year, a new tanker (CAS 30/9000/540 - S3VH on the Tatra 815-7 6x6 off-road chassis) and a pair of five-seaters VW Caddy with utility cargo area were delivered to the unit. In addition, the unit was equipped with a Leader Easy LE 4000 ventilator for ventilating large areas and the DOB 200 oxygen pumping station for filling breathing and resuscitation pressure cylinders.

Four portable floating pumps were delivered for the volunteer fire brigade units for pumping of water from open water sources. These pumps replaced the outdated PPS 12 portable engines the operation and repair of which were unprofitable.

Within the Integrated Rescue System, we closely cooperated with the Prague Emergency Medical Service to train their crews to deal with extraordinary events in the metro. The members of the Prague Emergency Medical Service were acquainted with the specifics of intervention activities in DPP and with the use of an oxygen breathing apparatus for prolonged interventions in an unbreathable atmosphere. We arranged professional jobs for special units of the Police of the CR.

We carried out inspections of all overground, underground and wall hydrants and dry ducts in DPP (a total of 2,261 facilities) and coordinated inspections of portable and mobile fire extinguishers (14,158 units in total). We continuously updated the fire control documentation, especially in connection with building the access for immobile persons to metro stations, the overall reconstruction of metro stations and the reconstruction of the EPS.



Fire prevention activities are based mainly on the prevention of fires and dangerous situations. The fulfilment of fire prevention tasks results from the valid legal regulations, especially Act No. 133/1985 Coll., on fire protection, as amended, and DPP directives, which aim to ensure the fire safety of employees and the travelling public. The Fire Prevention Department provides for measures to minimise the risk of fire when reviewing or processing fire protection documentation. Following this task, cooperation with all DPP departments and, to a large extent, with foreign organisations is a priority. A total of 212 meetings with designers took place within the framework of project solutions for fire safety of buildings.

In addition, the Fire Prevention Department comments on contracts related to contractual relations and checks compliance with the obligations set out in the fire protection regulations in DPP buildings and facilities. In the past year, about one thousand inspections have been carried out. In 2018, 2,284 DPP employees and 79 contractors were trained in fire protection.

In the area of fire protection of buildings, the approval and assessment of construction projects for new constructions and reconstructed buildings were carried out. The Fire Prevention Department employees attended 560 technical inspections, acceptances and inspections of buildings.

INSPECTIONS

The mission of the Inspection Department is primarily to carry out inspections of a planned and operational nature. It is also a continuous analysis of all organisational units and activities of DPP in order to evaluate the effectiveness of inspection forms and methods utilised. It presents suggestions and recommendations based on analyses and findings from inspection activities. At the same time, the employees of the department carry out and ensure the area of inspection and agenda of DPP employees temporarily incapable of working, ensure cyber security and last but not least the operation of the Vehicle Inspection Station.

In 2018, the Inspection Department dealt with internal inspection activities, focusing primarily on compliance with applicable Czech legislation, internal legislation and the quality of services provided. The inspections were carried out on the basis of a plan of inspection activity, which was prepared in accordance with the requirements of DPP's management of and findings from the results of inspections for previous periods. Last but not least, operational inspections were carried out, the topic of which was based on the actual needs and requirements of individual executives within DPP. Senior employees were informed about the results of individual proceedings and

inspections performed, which served as a basis for improving the activities of the departments managed by them and for the subsequent remedying of identified shortcomings. Based on the requirements of individual DPP employees, inspections of the stipulated regime of temporarily incapable employees were carried out all year round in accordance with the Sickness Insurance Act. The department also continuously processed the requirements of law enforcement authorities, coordinated their completion and handover.

Throughout the year, the employees of the department carried out random alcohol breath testing and indicative tests for other addictive substances on DPP employees. In order to improve the safety of the travelling public and the reputation of DPP, a new analyser "Dräger DrugTest 5000" was purchased at the end of the year, which will be used by DPP to carry out indicative tests for other addictive substances.

In 2018, Department 600330 - Information Security Centre addressed all aspects and issues of cybersecurity and information security management system. At the same time, it ensured the implementation of security measures, planned, organised and managed the implementation of measures, projects and programmes to comply with the Cyber Security Act and its implementing regulations. Additionally, it introduced new systems and made changes to existing systems and procedures with an impact on the scope of information security to ensure that all aspects of cyber and information security are properly taken into account at all stages of their preparation and implementation. At the same time, it prepared the implementation of other security policy elements in DPP and cooperated with other DPP departments on NDA contracts.

In 2018, Department 600340 – Vehicle Inspection Station conducted a total of 2,809 technical inspections, of which 1,013 were for internal customers and 1,796 for external customers. During November, Supervisory Audit No. SS5 of the Quality Management System (QMS) EN ISO 9001: 2015 was held at the Vehicle Inspection Station, which stated that the system requirements and standards were routinely fulfilled and the company's management periodically reviews its suitability and performance. Within the framework of the last review, which was carried out in accordance with requirement 9.3.2 of ISO 9001, it was stated that the implemented QMS continues to be suitable for the purposes of the Vehicle Inspection Station and it achieves the required performance indicators. Its certification was carried out by LRQA (Lloyd's Register Quality Assurance). At the end of the year, the state technical supervision over the Vehicle Inspection Station was also carried out and found no shortcomings.





In 2018, we invested the following resources:

DPP's own resources	CZK 3,802.683 MM
Compensation 2018 (reasonable profit)	CZK 1,737.817 MM
Current subsidy from the Capital City of Prague budget	CZK 504.758 MM/*
Total	C7K 4 0/45 258 MM

/ *	
Current subsidy from the Capital City of Prague budget in total	CZK 504.758 MM
of which:	
- The 1st operating section of metro D line (preparation)	CZK 140.237 MM
- Barrier-free measures	CZK 28.296 MM
- Comprehensive metro safety and security system	CZK 141.150 MM
- Barrier-free access to the Karlovo náměstí metro station	CZK 0.964 MM
- TT Sídliště Barrandov – Holyně – Slivenec	CZK 17.129 MM
- TT Divoká Šárka – Dědinská	CZK 17.559 MM
- RTT Zenklova 4 (Elsnicovo nám. – U Kříže)	CZK 111.980 MM
- RTT Sokolovská (Poliklinika Vysočany – Nový Hloubětín)	CZK 44.443 MM
- The revitalisation of Malostranské náměstí	ZK 3.000 MM

A large part of the funds was used for the renewal and modernisation of our fleets:

- delivery of 25 15T trams for CZK 1,860.301 MM
- reconstruction of 7 KT8D5 trams to the KT8N2 vehicle type for CZK 13.393 MM
- completion of a special vehicle T3 Coupé for CZK 6.582 MM
- the purchase of buses (articulated low-floor, standard low-floor and standard partly low-floor) for CZK 746.635 MM.

We also paid an instalment of the bill of exchange programme used for the payment for 15T trams in the amount of CZK 800.000 MM.

In 2018, the construction of the metro D line was under preparation.

A significant portion of the funds was used for the reconstruction of tram tracks, i.e. $CZK\ 314.995\ MM$.

PRIORITIES OF THE UPCOMING PERIOD

The Prague Public Transit Company is a key carrier in the continuously developing Prague Integrated Transport system. Being aware of its decisive position, the objectives of the city government in the area of public transport and the increasingly demanding requirements of the travelling public, it is constantly striving to further increase the scope and quality of the services provided. Thereby it significantly contributes to maintaining a high share of public transport in total transport work, which is a fundamental condition for ensuring a sustainable transport situation in the capital city. The growing demands for public transport are linked to the need for adequate renewal and development of all parts of its technical base. With regard to economic limits, the choice of priorities is necessary, whereby the benefits and implementation urgency of individual projects must be carefully considered, together with the prerequisites for their funding. Very special attention is required in regard to large-scale projects, which include co-financing from European funds, which, in some cases, is a prerequisite for their feasibility, given their high budgetary costs. The possibility of applying for subsidies is linked to the condition of achieving the appropriate level of preparation of individual projects, while the set deadlines for the initial phases of the grant process significantly limit the time-space for project and engineering activities. Another decisive limitation is the set deadline by which the co-financed buildings must be completed.

Expanding the urban rail network has been one of our key priorities for many years, in full compliance with the city's major development documents and also with clear trends in most European metropolises. The related increase in the proportion of segregated public transport routes guarantees an increase in its regularity, speed and safety, with another major benefit being, of course, the reduction of the ecological burden of the city area resulting from the wider use of electric traction.

The basic prerequisite for the development of the urban rail transport network is its consideration in the land-use planning documentation. The Prague Public Transit Company, within the scope of the applicable legislation, is adequately involved in the various phases of its acquisition. It exercises the requirements, directed at the confirmation of accented traffic structures in the scope and routes corresponding to its preferences. However, due to the diversity of projects incorporated into the land-use planning documentation, the general protection of its basic property and operational interests is also emphasised. The most important current event in the area of spatial planning is the acquisition of the Metropolitan Plan, i.e. a new urban plan. Here, comments have already been put forward within the framework of a joint meeting. In 2019, priority is given to the individual phases of making changes to and adjusting the existing Prague Urban Plan, and also to the assessment of territorial studies and other development documents, the number of

which has increased in recent years. An extraordinary benefit for simplifying and speeding up the preparation of prospective tram lines is the fact that in 2018 a major change in the zoning plan Z 2832/00 was issued, the procurement of which was influenced in favour of our interest in close cooperation with the City Development Authority. This change, universally, from the spatial planning point of view, covers all simpler tram development projects, without the need to make separate changes to the land-use plan. These can in principle be placed on areas with different uses, for which it is sufficient that their regulations generally enable the use for the operation of Prague Integrated Transport. The time-consuming procurement of individual changes to the land-use plan for individual tram lines will thereby cover only large-scale projects with more complex impacts on the territory; e.g. tram lines to Suchdol and Jižní Město.

The new city government pays considerable attention to the issue of public transport in its 2018–2022 programme statement, with a relatively strong emphasis on the development of the metro and tram network. In 2019, the activity will be focused on the consistent fulfilment of the tasks assigned in the field of traffic structures, which are already in the advanced stage of preparation, and also on projects that have gained substantial preferences in the current electoral term and the preparatory work in regard to which just started.

The key issue here is the preparation of the implementation of the initial section of the metro D line, the most important development investment in the area of public transport. The most important activities planned for 2019 include the commencement of a geological survey, including monitoring and passport, complete resolution of property rights to affected land and filing an application for building permit for the Pankrác - Nové Dvory section, as well as completing the tender documentation for the selection of the Pankrác - Olbrachtova section contractor. The preparation of a technological solution for the automatic operation of the metro and the actual technical specification of new metro cars will also continue.

Relatively realistic assumptions for co-financing from European funds exist for new tram structures, where this option is possible for up to 6 projects. Similarly, as in the case of the construction of the metro D line, the problem with the provision of the necessary land, which in some cases results in the necessity of their expropriation, represents a fundamental problem that complicates the further procedure. In this regard, there are only two new tram loops without major problems. It can be stated that the decisive priority for 2019 is securing the land for individual projects because, without the appropriate shift in securing the land, the fulfilment of deadlines associated with the possibility of using European subsidies is at risk.

TT Barrandov - Holyně - Slivenec represents the longest-running preparation of the construction in this area, with the final land-use decision being issued already in 2014. Exceptional problems with securing the land require implementation stages. In 2019, the activities related to the building permit will be directed only to the extent of the legally viable stages 0 and 1, which is a 2-stop section ending with a dead centre. The situation in regard to securing land for the second stage, including the remaining part of the tram track with a loop, is so problematic that its time constraints exclude the possibility of obtaining the subsidy. The preparation of the construction is also complicated by problematic co-ordination with newly built residential complexes and with some investors' unwelcoming approaches. Another preferred event with the already issued landuse decision is TT Sídliště Modřany - Libuš. Due to the spatial ties to the Libuš station of the metro D line, the tram line in Stage 1 will be terminated with a dead centre on Novodvorská Street, with the prospective Stage 2 completing the loop following the construction of the metro. In 2019, the main objective will be to obtain a building permit for the first stage of construction. In the case of the upcoming TT Divoká Šárka - Dědinská, the land-use proceeding will continue after the requested supplementation of the documents for the already submitted application.

The situation is favourable in regard to the preparation of the implementation of two tram loops, which will become part of strategically important public transport hubs. In the case of the Zahradní Město tram loop that is situated next to the future railway station, building permits can be expected as early as in 2019. The situation was simplified there by the non-existence of any interference with private land. Conditions will be created for the commencement of its implementation in 2020 or 2021. The deadline will result from the coordination with the adjacent railway construction, the investor of which is the Railway Infrastructure Administration. The second new tram loop will be located by the Depo Hostivař metro station and the year 2019 is connected with the assumed issuance of the land-use decision and with activities aimed at issuing a building permit.

A fundamental investment, the need of which arose from the critical technical condition of the existing building (roof accident), is the comprehensive reconstruction of the Hloubětín tram depot. A variant consisting of the total demolition of the existing hall of the depot and the construction of a new building meeting the requirements of adequate care for the current fleet is followed. A land-use decision was issued in regard to this building and work on the building permit project will continue. At the same time, based on the city government's requirement a review of the roof structure is implemented, which could result in changes in the concept of this project during 2019.

In 2019, in regard to the above-mentioned construction projects in the area of tram transport, applications will be completed by the selected processors for granting support from the EU's Operational Programme Transport 2 (OPD 2) within the 53^{rd} call.

The unequivocal priorities of the new city government include the addition of a tram line network in the central part of the city, with an emphasis on Wenceslas Square. The tram line in the upper part of Wenceslas Square will be prepared with the utmost effort to be implemented by the end of 2022. The initial phase of the fulfilment of this preferred project will include examining the ceiling panels of the metro vestibules and possibly moving the metro exits. The project designer will be selected after coordination meetings with the Institute of Planning and Development of the Capital City of Prague, the output of which will create a binding basis for design activities. A breakthrough event in the coming period will be the preparation of the penetration of tram transport outside the capital city of Prague, as the TT Kobylisy - Zdiby project is being developed in co-operation of the Prague Public Transit Company and the Central Bohemian Region, represented by the Regional Road Administration and Maintenance of the Central Bohemian Region, for which the EIA study has been prepared and a selection of the designer for other levels of documentation will follow.

The reconstruction of the tram lines network is also significantly contributing to the improvement of the technical level of the tram lines network, which, through its comprehensive concept and high-quality design, shift reconstructed sections to the level of new tram structures. In 2019, the most important projects in this area will be the 2nd phase of RTT Vinohradská (Muzeum - Flora), 1st stage of RTT Bubenské nábřeží - Komunardů (Vltavská - Dělnická), while the commencement of the implementation of RTT Nádražní - Na Zlíchově is also planned.

An area of extraordinary interest for the city government and the travelling public is the further increase in the accessibility of public transport, where the key areas include additional barrier-free access to metro stations and maximisation of barrier-free vehicles in the surface transport fleet. In 2019, the installation of lifts in Karlovo náměstí and Opatov stations (at this station as part of its reconstruction) is planned. The barrier-free accessibility of the Českomoravská and Jiřího z Poděbrad stations, where they will also be part of their reconstruction, is getting into the advanced stage of its implementation.

At the beginning of 2019, the last 4 15T low-floor trams will be delivered from a long-term contract for 250 vehicles of this type, which have significantly improved the quality of the tram transport fleet. The KT8D5 trams will be modernised with the insertion of a low-floor middle section. In addition to the completion of 3 unfinished trams, another 2 vehicles are ready for

70



reconstruction. Additional 8 KT8D5 trams will be purchased from Hungarian Miskolc, which will also be gradually reconstructed to partially low-floor vehicles KT8D5.RN2P in accordance with the capacity of the Tram Repair Service. In addition to the usual operational needs, the need to increase the number of two-way vehicles is also due to the fact that some new dead centre tram lines are expected to be completed. A targeted increase in the accessibility of public transport will also continue with the reconstruction of another 65 trams of the T3 type to the partially low-floor T3R.PLF, with a preliminary consideration of 6 vehicles per year.

The bus transport fleet is undergoing a continuous renewal that guarantees a gradual reduction of the age of the vehicles so that the new quality standards of the Prague Integrated Transport are met. Low-floor vehicles are purchased as a matter of course. In 2019, the process will continue with the delivery of 130 standard SOR NB 12 buses and 40 SOR NB 18 articulated buses.

Conditions will continue to be created for the gradual development of electromobility within bus operation as one of the forms of reducing emissions and other negative impacts from transport. In addition to the preparation of major projects focused on the comprehensive electrification of selected bus lines, the verification of individual usable technologies and various types of vehicles will continue. Within the framework of development projects, the electrification of bus line No. 140 (Palmovka - Miškovice) will be prepared using mainly a dynamic way of charging. It is planned to purchase 13 to 15 battery articulated trolleybuses to replace the existing buses deployed on this line. Another development project is the preparation of the purchase of 14 standard electric buses using the principle of stationary charging. Due to property rights complications in preparing the deployment of electric buses to line No. 207 (Ohrada - Staroměstská), an alternative solution was chosen (Strašnická or Želivského). The pilot project of operation on line No. 58 (Palmovka - Letňany) with dynamic charging on Prosecká Street will also continue. In addition to standard vehicles, an articulated battery trolleybus will also be used for verification. The SOR NS 12 electric bus with two-pole charging will continue to be tested on line No. 109 Palmovka - Dolní Počernice - Výzkumné ústavy Běchovice).

Another qualitative shift will occur in the area of technical provision of ticket sales, currently focusing on the possibility of purchasing one-off tickets using a contactless payment card. Thereby, in 2019, all trams will be equipped with self-service facilities, enabling passengers to implement this form of ticket purchase. As part of a long-term contract, another 100 modern ticket vending machines will be delivered, which, in addition to cash payments, also enable the use of a payment card. The devices will be mainly installed in the vestibules of the metro stations.

MARKETING AND TRADE



Marketing

The Prague Public Transit Company is not only the dominant carrier within Prague but it is also one of the best. Since the beginning of the second decade of the 21st century, Service Quality Standards have been regularly measured and the Prague Public Transit Company regularly provides high-quality services, often also meeting all monitored standards. The promotion of high-quality services was one of the main goals in 2018 and in recent years also the recruitment of employees to vacant jobs in the company.

"We don't have people" - we have been hearing these words very often in Czech companies in recent years. The Prague Public Transit Company is no exception. Therefore, in 2018, great attention was paid to recruiting new staff. There has been no significant reduction in the number of vacancies, but there is no increase in vacancies, which can be considered positive at this time. The Prague Public Transit Company actively participates in many trade fairs and exhibitions, where it not only promotes its high-quality services but also tries to make new job acquisitions.

The high quality of services provided by the Prague Public Transit Company is appreciated mainly abroad. It is important to persuade our people that quality is not commonplace and that public transit services should be used not only on business days when travelling on duty. The current Prague public transport is also not a cheap thing, so the carrier is trying to explain what is behind the services that are provided 24 hours a day.

Traditional events such as the Open Day, which takes place during the European Mobility Week in September, are of great interest to the general public. Every month, experiential tourism events take place in the metro, the programme of which is constantly expanding to offer interesting experiences to a wide range of interested parties not only from Prague but also from the surroundings. The same is true of the Nostalgia project, which familiarises the public with the anniversaries of public transport in Prague and of the Prague Public Transit Company. A new feature in 2018 was the co-organisation of the Children's Day on Saturday, the 2nd of June, in Braník in cooperation with railway carriers.

In 2018, another tram was named after a prominent figure in the history of transport, namely Eustach Mölzer, a significant representative of the company from the period of the First Republic. Foreleven years already, the Kinobus tour has been one of the features of summer months that brings not only domestic films to various places in Prague. Kinobus has been associated with charity for several years and we are pleased that 2018 was the most successful year in this respect.

2018 brought a significant change in the possibility of purchasing tickets. The PID Lítačka mobile phone application prepared by Operator ICT was launched in late August. The Prague Public Transit Company has contributed significantly to its promotion. Unlike the relatively widespread SMS tickets, it is possible to purchase all types of tickets through this application not only for Prague but also for outlying zones for adults and children. The availability of single-tickets in Prague and the Central Bohemian Region thereby improved significantly again. At the end of 2018, 90,000 people were actively using the application and more than 200,000 inhabitants of Prague and the Central Bohemian Region have downloaded this application in their mobile devices.

Unfortunately, there are still many who do not buy tickets. In 2018, the "Vymlouvačka" tram started to be used in Prague streets, where you can see various excuses used by people when travelling in vehicles without payment. It was the next step in the campaign launched in 2017 and entitled "Do you have a ticket?".

The same attention as the promotion and marketing outwardly is also devoted inside of the company. Loyal and well-motivated workers are the biggest asset of any company, which is also recognised by the Prague Public Transit Company. Also in 2018, an employee day took place in Stromovka and a traditional football tournament on the sports ground in Hostivař.

Trade

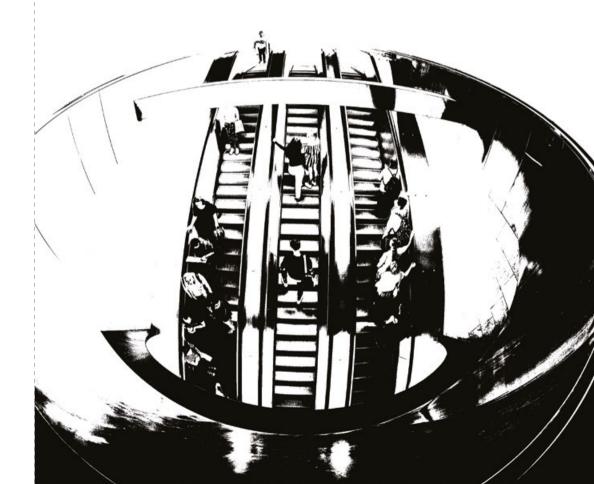
In 2018, the sales department, in collaboration with other business units, managed to set rules for the use of the free movable and immovable property to increase business potential.

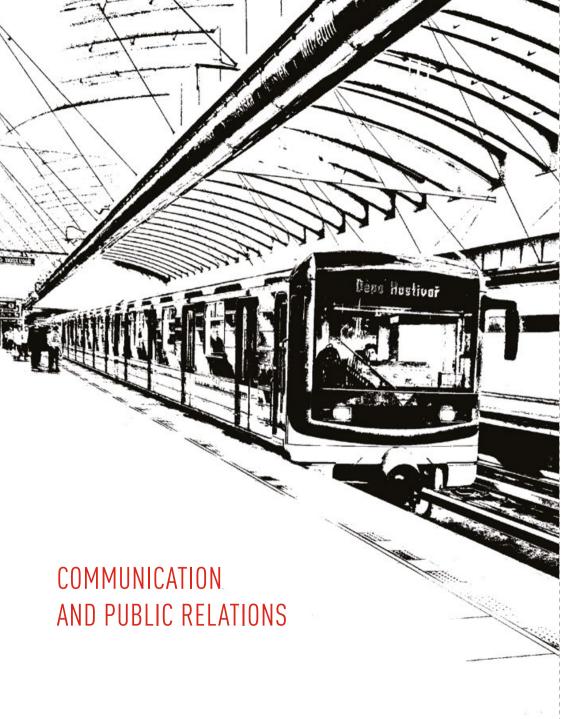
At the beginning of May, the business of the Historical Vehicles unit was taken over, thereby separating the transport part from the business to ensure transparency in all commercial operations. In 2018, the department handled 100 per cent of client orders and increased the revenue for renting historic trams by 30 per cent compared to 2017. Additional services related to the rental of trams, such as music productions, refreshments or guides, were also gradually taken over. The positive fact is that no business cases were rejected in 2018 and all outstanding requests were settled.

In the course of the year, the services provided improved and new loyalty packages were created for permanent Korean partners. The CRM system, which assigns the registration numbers to orders and ensures their proper recording, brought more efficient and better order records.

At the end of October, a new unique T3 Coupé sight-seeing tram was presented at the Designblok Expo and its trial run started. Since November, this new luxury tram can also be rented by the public for CZK 7,700 per hour. Sales in a few weeks of service at the end of 2018 showed that the expected rental income will be met. In December, T3 Coupé Tram rides for long-term and significant partners seeking historical trams were planned and implemented.

At the end of 2018, a new business catalogue for sight-seeing tram journeys of 2019 was prepared and a sales team was complemented to ensure that all the activities that fall under the department are well ensured.





A total of 22,809 **submissions from the travelling public** were processed during 2018, which represents a y-o-y increase of 8%. This number of complaints, praise, and queries was processed through the "Podněty veřejnosti" software application.

In 2018, there were 11,297 **media outputs** mentioning directly DPP or Prague public transport in all media types, i.e. in the press, news servers, TV and radio. The highest number of articles and reports (1,237) were published in October, while the lowest number of outputs appeared in February (616). Of the media types, Internet servers were traditionally the most active, with 6,447 outputs. Printed titles brought 2,397 articles, TV 900 broadcasts and radio stations 822 reports. Of the individual titles, the Czech Press Office (731 outputs), followed by the blesk.cz news server (690 articles) and denik.cz (588 articles) are behind the highest numbers. The most active printed title was Metro daily (444 articles). In terms of the tonal structure of the media image, neutral articles dominated, accounting for 67% of the total (7,541 messages). The second largest group was positive articles (13% and 1,454 articles respectively). The source of positive corporate articles was mainly PR projects (T3 Coupé, Kinobus, the campaign with Bob and Bobek). Investment plans for the coming period were also favourably adopted. On the other hand, critical publicity was largely related to Metro D (the debate on a joint venture with Penta developer) or previous management cases (e.g. a ticket case or some disadvantageous contracts).

The official **website**, www.dpp.cz, recorded a slight decrease in attendance in 2018 to an average of 55,000 visits per day. The increasing popularity of mobile applications and the unresponsive versions of the current DPP website can be the cause of the decline in traffic. Despite this fact, the website was visited by 19,720,644 users. More than 90% of visits are registered in Prague and Central Bohemia. Nearly half of all website access is through a smartphone or a tablet. As in the previous year, the highest traffic was recorded at the beginning of September, when it reached 70,502 unique visits.

Social networking continued its upward trend from 2017 and increased the number of fans and followers on all channels. DPP's official Facebook page has increased the number of fans by 2.7 thousand to a total of almost 18 thousand, with the number of followers exceeding 18.5 thousand. DPP's Twitter account grew greatly, with the number of followers increasing by 2.7 thousand to more than 3.7 thousand. In March 2018, an official Instagram account was set up for DPP, which earned nearly 2,000 followers with a rapidly growing "like" trend per post by the end of the year - 270 "likes" by December. DPP's YouTube account is used for presentation of all DPP's videos. All social networks show continuous growth, expressed both by the number

of followers and fans, and by interactions. Great attention has been paid to social networking contributions devoted to the presentation of the T3 Coupé tram or to the educational contributions about the tram stopping distance. Social networks are also used for recruitment; all job offers and participation in trade fairs etc. are presented there. The YouTube recruitment video "Become a Bus Driver!', which was released in September 2018, reached over 60,000 views by the end of the year. Social networks have also proven to be a great tool in communicating changes such as the new DPP e-shop or tariff change. Social networks have made a significant contribution to the positive promotion of DPP and its events, such as the Open Day.

The most flexible means of communication with the Company is the Company's **intranet**, with a total of 204 messages posted to its employees. This corresponds to the same number of updates that were distributed to the **Communication Points**. Until the extranet is launched, the bulletin boards on these points play an irreplaceable role in communication with employees who do not have access to electronic means of communication. Monthly updates of the Organisational Chart document, weekly updates of menus at DPP's premises, organisation of employees' competitions and newly also "Briefly from DPP" also represent part of the internal communication management. Traditionally, the **DP news bulletin** has been published in electronic and printed form, which has now provided an overview of special offers for employees and a programme of important events organised by the Transit Company. Within the 23rd edition of the **DP kontakt** magazine, 10 issues were published in 2018 and one double issue. In addition to the standard scope, four editions were expanded and a special supplement was issued to mark the presentation of the new T3 Coupé vehicle at Designblok. The December issue brought a traditional poster with a calendar.

In April, the DP kontakt magazine received an award in the prestigious **Golden Semicolon** (Zlatý středník) competition, i.e. the TOP RATED, which is the highest in the history of the magazine's participation. In September, DPP took part in the 1st **Drivers European Championship**, hosted by the Berlin Transit Company BVG. A total of 21 teams from 15 European countries took part in the competition, the DPP team placed in the middle of the peloton on the finish line. In the 12th annual **Global Light Rail Awards**, DPP won first prize in the Most Improved System category in October. Global Light Rail Awards is a worldwide competition where the expert jury evaluates the registered projects of tramway systems. The winners of the competition are amongst the key innovators and leaders in the worldwide growing light rail sector, including the tram sector.

DPP topics resonated in 2018 also in foreign professional media. Three outputs were published in prestigious foreign transport periodicals. **Tramways & Urban Transit** outlined the EMA

electronic map on 15T trams including driver-to-driver observations with EMA. This contribution was so interesting to the editor that she asked for the presentation of the topic at an international conference. **Trolleybus Magazine** included an article on dynamic charging as a technology for backbone bus lines and the further development of trolleybuses, including the electrification of bus line No. 140. Polish **Biuletyn Komunikacji miejskiej** published an article on recruitment campaigns for drivers of DPP. In the course of 2018, 8 DPP reports were displayed on the main page of the UITP, for example on the opening of a modern surveillance centre in Hostivař to increase the safety of both passengers and employees, on the project of the anti-collision tram system and the ongoing electrification of DPP bus transport.

In 2018, three key European projects were completed, in which DPP was directly involved. The UITP's Zero Emission Urban Bus System [ZeEUS] has followed the latest technologies and trends in the field of emission-free city bus systems. DPP was a member of the user group and also participated in comparing the operational, technical and economic data of European electric bus services within the ZeEUS Observatory Group. The results of long-term tests of SOR EBN 11 electric buses (lines Nos. 163, 188 and 213) and SOR NS12 (line No. 109) were presented by DPP. The European ELIPTIC (Electrification of Public Transport in Cities) project focused on research and demonstration projects in the field of electromobility in public transport, specifically on the use of various forms of charging systems for electric buses. DPP was involved in this project as part of the Twinning Cities initiative, the aim of which was to prepare and review the concept of dynamic charging. DPP's participation in the project was highly appreciated thanks to the practical implementation of the pilot section of dynamic charging on Prosecká Street from the 15th of October 2017 and the subsequent commencement of the regular operation of a battery trolleybus on line No. 58 from the 1st of July 2018. In 2018, the pilot section of dynamic charging became a destination for a number of domestic and foreign visits, the most significant being members of the UITP Trolleybus Commission, who visited Prague at the end of May 2018. The third major activity was the European Bus System of the Future (EBSF 2), which focused on increasing the efficiency of bus systems using both conventional and alternative fuel. Within the user group, DPP has been monitoring the ways to improve vehicle energy management (in particular, optimising air conditioning and heating solutions and settings) and also the experience and results of eco-driving in different European cities. The development of road electromobility is also monitored in the current follow-up ASSURED project, which mainly deals with charging technologies for larger fleets of electric buses. Again, DPP is involved in a user group to share information and experience across European cities.

80 | 8

At the end of April, DPP was actively involved in the prestigious international city transport conference, **EUROCITIES Mobility Forum**, organised by the Capital City of Prague. More than a hundred transport experts from 40 European cities have had the opportunity to share experiences and innovations in the areas of low-emission urban transport and multimodality. DPP aroused the interest of participants during one of the technical excursions, which dealt with the barrier-free access of metro stations. Foreign guests appreciated DPP's determination to make the metro stations, which were put into operation with barriers in 1990, accessible to people with disabilities.

In November, DPP hosted the **40th UITP Marketing Commission Jubilee Meeting**. DPP thereby had the opportunity to present current marketing activities and confront them with an unbiased view of marketing experts of the most important European transport companies. A great success was the video spot attracting new bus drivers by its fresh creativity and exaggeration. The participants of the meeting were also attracted by the latest tram in Prague in the form of the T3 Coupé tram; a Prague sightseeing tour was organised for them during their stay in Prague.

A significant position of DPP amongst European and world carriers is evidenced by almost a hundred professional **foreign delegations**, which were particularly interested in technology, repair and dispatching centres. DPP is a sought-after partner not only for the exchange of experience in operations, organisation and financing but often also for a number of other, detailed aspects of urban public transport. Expert delegations arrived from many European, Asian, African and American countries, including Namibia, Malaysia, Thailand, Georgia, South Korea and the USA. As is the tradition, the students of the Dresden Secondary School of Transport spent the last two weeks of November in Prague, and several DPP employees from many operations took care of them



COMPANIES WITH INVESTMENT INTEREST

Pražská strojírna a. s.

The main activity is the development and production of rail structures and switch systems for tram transport. Complete service of switch systems is complemented by other components, such as tram exchanges with flexible interchangeable tongues in various modifications in accordance with customer requirements, heating exchanges, drainage and other engineering production.

The Prague Public Transit Company is the sole shareholder.

Střední průmyslová škola dopravní, a. s.

The main activity is teaching, training and education in three subjects, i.e. the Secondary Technical School of Transport, the Secondary Vocational School and the Apprentice School.

The Prague Public Transit Company is the sole shareholder

RENCAR PRAHA, a. s.

The company is dedicated to all kinds of advertising activities ranging from the operation of promotional all-decor trams, buses, metro trains to the rental of showcases at bus stops.

The Prague Public Transit Company owns a 28% share.

CENTRAL PURCHASING DIVISION

In 2018, the Central Purchasing Division drew up a new internal public procurement directive with effect from January 2019, which is essential for the transparent implementation of purchasing processes and public procurement procedures. The division provided economically advantageous conditions for DPP with the priority of improving the quality of supplies, services and construction work. It continued to work on the preparation of documents aimed at unifying the partial requirements of individual DPP units, which last year contributed to more effective implementation of public procurement procedures. As in the previous year, it participated in the process of publishing contracts and orders in the contracts register in 2018. It also continued to exercise supervision over the contractual relations concluded in previous years.

In 2018, Service Purchasing and Material Purchasing departments launched a three-way order matching (receipts, invoices) in collaboration with the departments concerned. In 2018, the departments issued 36,200 orders with economically advantageous conditions for DPP. This represents a year-on-year increase of 5.84%.

In 2018, the Inquiry Management Department accepted 321 inquiries for implementation. In total, it processed 304 contracts, amendments to contracts or termination of contracts. In view of the amount of administrative burden, the Inquiry Management Department participated in the preparation of the pilot operation of an electronic tool for commenting on and approving draft contracts.

The Public Procurement Department contributed to the preparation of the new Public Procurement Directive, which, among other things, enshrines a two-tier aggregation that streamlines public procurement and also minimises the risk of their unlawful dividing. Newly, a dynamic purchasing system has been incorporated into the Directive so that this fully electronic and transparent procurement procedure is also effective and does not bring increased administrative demands on the procurement of supplies, services or construction work. The dynamic purchasing system has been introduced for the purchase of bus spare parts, while the introduction of dynamic purchasing systems for the purchase spare parts for trams and hardware is in the process of preparation.

LEGAL DIVISION

The Legal Division ensures the entire legal agenda of the Company, with the exception of legal relations to real estate. The division includes 4 departments:

Department 900210 Operational damages provided for activities related to the liquidation of operational damages. In 2018, the department handled a total of 4,807 events, which comprised 9,726 processes - all accidents and damage to DP assets, including vandalism and crime. Compared to 2017, there was an increase in the number of events by 5%, an increase in the administrative burden directly related to claims settlement was also recorded. In addition, the department provided activities related to the provision and management of insurance contracts.

Department 900220 Organisational and management standards, in 2018, commented upon 354 organisational and management standards, cooperated in elaboration and updating of 52 organisational and management standards and processed and edited 191 form templates. Compared to 2017, the department reported a 45% increase in activity.

Department 900230 Public procurement support and Department 900240 Legal support, in 2018, dealt with a total of 1,424 requests, in particular the preparation of comments on draft contracts and opinions on internal issues of labour law and ensuring the agenda of debts and litigation. Compared to 2017, the department reported a 15% increase in activity.



REPORT OF THE AUDIT COMMITTEE

of the Prague Public Transit Company in 2018

In accordance with Act No. 93/2009 Coll. (On Auditors), the General Assembly held on the 19th of January 2010 decided to set up an Audit Committee (hereinafter referred to as "VpA") as the body of the Prague Public Transit Company (hereinafter referred to as "DP"). The VpA worked in 2018 as an independent company body, taking resolutions and minutes from its meetings, which are archived.

VpA has three members elected by the General Assembly of DP:

/ Ing. Aleš Michl (Chairman),

/ Ing. Zdena Javornická (Vice-Chairwoman),

/ Ing. Ladislav Langr.

At the end of 2018, the below-mentioned personnel changes took place in VpA:

The Council of the Capital City of Prague in the competence of the General Assembly, by Resolution No. 2970, took note of the resignation letter of Ing. Aleš Michl and approved his termination of office on the 30th of November 2018.

In 2018, the VpA met for a total of 6 meetings. The individual meetings always followed the approved agenda and materials that were sent to VpA members in advance.

VpA dealt mainly with the following topics:

/ the process of compiling financial statements,

/ recommendations of the external auditor,

/ assessment of the statutory auditor's independence.

/ the process of the obligatory audit of financial statements,

/ monitoring the effectiveness of internal control and the risk management system,

/ monitoring the effectiveness of internal audit

and its functional independence,

/ ongoing quarterly financial results of DP,

/ information on the activities of the Internal

Audit Department,

/ final internal audit reports,

/ information on the implementation of

remedial measures,

/ information from the DP Board of Directors and Supervisory Board meetings.

In view of the issues discussed, the CEO, the Economic Director, the Head of the Internal Audit Department and possibly other DP's external staff or the DP's external auditor were regularly invited to the meeting.

In 2018, VpA fulfilled its obligations under the applicable legislation and the Company's Articles of Association.

The activities of VpA include the following:

At its meeting on the 31st of January 2018, by Resolution No. 1/2018/5, VpA approved the submitted work plan for 2018 and Changes in the plan of activities of the Internal Audit Department for 2018. VpA also took note of the submitted report on the Budget 2018.

On the 23rd of March 2018, VpA agreed with the submitted Audit Committee Report for 2017 and ordered the Chairman of VpA to submit a report to the Board of Directors, the Supervisory Board and the Company's General Assembly. By Resolution No. 2/2018/4, VpA approved the Internal Audit System Report and Update No. 1 of the Internal Audit Plan.

On the 25th of April 2018, by Resolution No. 3/2018/5, VpA took note of the auditor's review of the Company's financial statements for 2017, the annual report for the 2017 accounting period of the Prague Public Transit Company and the report of the independent auditor, NEXIA AP a.s., on the Financial Statements and the Annual Report for 2017 and recommended to the Supervisory Board that the Annual Financial Statements, the Annual Report and the Economic Results of the Prague Public Transit Company for the year 2017 are submitted to the General Assembly for their approval.

At its meeting on the 15th of June 2018, by Resolution No. 4/2018/2, VpA agreed on the activity report of the Audit Committee for the Public Audit Oversight Board and ordered the Chairman of the Audit Committee to submit this report to the Public Audit Oversight Board.

VpA also took note of a letter from the statutory auditor, NEXIA AP, a.s., (a Management Letter).

On the 11th of October 2018, VpA took note of an overview of the remedial measures for Q2 of 2018, the Risk Management System Guideline and the regular PPTČ Team Activity Report.

At its meeting on the 12th of December 2018, by Resolution No. 6/2018/9, VpA approved Update No. 2 of the Internal Audit Plan for 2018 and the Internal Audit Plan for 2019. VpA also took note of the significant changes in legislation for 2019 and the overview of the Fulfilment of Remedial Measures for Q3 of 2018.

In the following year, VpA's ambition is, inter alia, to oversee the implementation of the risk management system in DP.

86

REPORT OF THE SUPERVISORY BOARD

of the Prague Public Transit Company in 2018

The Supervisory Board of the Prague Public Transit Company (hereinafter referred to as the "Supervisory Board") worked in 2018 mainly as follows:

PhDr. Lukáš Kaucký (Chairman), Ing. Karel Grabein Procházka (Vice-Chairman), Mgr. Petra Kolínská (Vice-Chairwoman), Jiří Obitko (Vice-Chairman), Bc. Jan Kolář, Vratislav Feigel, Jan Lebeda, Ing. Peter Hlaváč, Ing. Vojtěch Kocourek, PhD, Ing. Petr Hlubuček, JUDr. Petr Novotný, Martin Slabý, Jaroslav Štěpánek and Ing. Marek Doležal, Petr Šimůnek.

During 2018, the following personnel changes were made to the Supervisory Board:

The Council of the Capital City of Prague in the competence of the General Assembly on the 30th of August 2018, by Resolution No. 2318, took note of the resignation letter of PhDr. Lukáš Kaucký and elected Mgr. Jan Smetana to the vacant function.

In addition, as of the 29th of November 2018, the Council of the Capital City of Prague recalled Jiří Obitko, Bc. Jan Kolář, Vratislav Feigel, Jan Lebeda and Ing. Peter Hlaváč from the position of members of the Supervisory Board. This recall was made in connection with the announcement of the election of members of the Supervisory Board elected by employees. On the basis of the election results, Oldřich Schneider, Josef Buriánek, Jiří Obitko, Bc. Jan Holub and Tomáš Novotný were elected to the Supervisory Board as of the 30th of November 2018.

At the end of 2018, the Council of the Capital City of Prague in the competence of the General Assembly, by Resolution No. 3006 recalled Petr Novotný, Jaroslav Štěpánek, Martin Slabý, Ing. Karel Grabein Procházka, Mgr. Jan Smetana, Ing. Vojtěch Kocourek, PhD., Ing. Petr Hlubuček, Petr Šimůnek and Ing. Marek Doležal from the position of members of the Supervisory Board. As of the 5th of December 2018 Ing. Adam Scheinherr, MSc., Ph.D., Pavel Vyhnánek, M.A., Jan Marek, Ing. Marek Doležal, Ing. Petr Hlubuček, Ing. Michal Zděnek, M.A., Ing. Tomáš Mikeska, Ing. Michal Štěpán and PaedDr. Ivo Vašíček were elected to vacant functions.

Issues regularly discussed:

In 2018, 14 meetings of the Supervisory Board were held, of which two were convened as extraordinary. The Company's Supervisory Board, inter alia, regularly:

/ monitored operating economy of the Prague Public Transit Company (hereinafter referred to as

the "Transit Company") and monitored the development of revenues (discussing quarterly and half-yearly financial results, annual financial statements, calculating the costs of PID and the development of drawing funds);

/ discussed the implementation of the tender procedure and its members participated in evaluation committees to assess suppliers' bids;

/ discussed the materials and conclusions adopted by the Board of Directors and the General Assembly;

/ dealt with property rights issues: granted consent to the conclusion of individual contracts restricting the ownership right or the right of lien to the movable or immovable property owned by the Transit Company, and granted consent to conclude certain contracts for the sale of the real estate of the Transit Company and for the lease of real estate of the Transit Company for a definite period of time (over 1 year lease term);

/ monitored compliance with recommended corrective measures resulting from internal audit results:

/ discussed the investment plan and monitored its implementation and changes;

/ dealt with the issue of contractual relations with the RENCAR PRAHA, a.s. and euroAWK s.r.o. companies

The Supervisory Board dealt with a wide range of issues across all areas of the Company's business.

The Supervisory Board was regularly informed about the individual steps in the preparation of the construction of the I.D metro line, and also focused on the selection of a strategic partner for the Joint Undertaking, founded to maximise the potential of the areas designated for the construction of the Metro D stations in Prague.

The Supervisory Board's attention was also focused on the development of negotiations on the revitalisation of metro stations in cooperation with a private entity. In particular, it focused on the establishment of a joint venture in the form of a joint-stock company for the revitalisation of the northern vestibule of the Nádraží Holešovice metro station and the surrounding area.

The Supervisory Board monitored the process of introducing the Integrated Risk Management System and the state of implementation of GDPR requirements.

At the end of the year, the Supervisory Board recalled Mgr. Martin Gillar and Ing. Tomáš Kaas and elected Ing. Petr Witowski, Bc. Filip Tulák and Ing. Jan Šurovský, PhD to vacant functions in the Board of Directors.

88 89

Conclusion:

Throughout the year, the Supervisory Board of the Prague Public Transit Company monitored with diligence the ongoing financial results and regularly discussed quarterly reports on the achieved financial results, including calculations of PID costs. Through its activities, the Supervisory Board contributed to the proper functioning of the Transit Company.

The Supervisory Board paid great attention to selected contractual obligations of the Transit Company and representatives of the Supervisory Board delegated during 2018 and played a significant role in the work of evaluation committees in open competitions and public tenders.

It should be noted that during 2018, the Supervisory Board, with due diligence, fulfilled its mission as the Company's controlling body in accordance with applicable laws, the Company's Articles of Association, other regulations and the interests of the sole shareholder, the Capital City of Prague, and supervised the performance of the Board of Directors' powers and also the Company's financial performance.

ACT NO. 106/1999 COLL., ON FREE ACCESS TO INFORMATION

Annual Report 2018 on the Activities of the Prague Public Transit Company, in the area of providing information pursuant to Act No. 106/1999 Coll., on Free Access to Information, as amended

In accordance with Section 18 (1) of Act No. 106/1999 Coll., on Free Access to Information, as amended (hereinafter referred to as the "Information Act"), this annual report for 2018 is submitted on the activities of the Prague Public Transit Company (hereinafter referred to as "DPP") in the area of providing information pursuant to the Information Act.

the number of requests for information submitted and the number of refusal decisions issued:

a) number of requests for information submitted: 286
b) number of refusal decisions issued: 44



2. number of appeals lodged against decisions:

3. information on judicial review of the decision on appeal:

1

- a) a copy of the substantial parts of individual judgments of the court to review the legality of the decision to reject the request for information:
- b) an overview of all expenses incurred in connection with lawsuit and legal proceedings, including the cost of own employees and legal representation costs:
- total cost: CZK 6,000 (payment of court fee for cassation complaint)

4. the list of exclusive licences granted, including the justification for the need to grant an exclusive licence: no exclusive licences were granted

5. information on complaints made on the procedure for handling requests for information (hereinafter referred to as the "complaint"):

b) reason for filing complaints on the procedure of the Prague Public Transit Company:

/ Section 16a (1) (b)	126
/ Section 16a (1) (c)	2

c) method of settlement by the Prague Public Transit Company:

/ Section 16a (5) (a 7-day deadline was not met)	126
/ Section 16a (6) (a)	1
/ Section 16a (6) (c)	1

6. additional information related to the processing of requests for information:

- a) Most frequently, requests for information were related to:
- information messages on buses and trams

a) number of complaints filed:

 $^{\circ}$ 91

REPORT ON RELATIONS

On the 28th of January 2019

The Prague Public Transit Company, a joint-stock company

Contents:

Pre	eamble	93
1.	The structure of relations between the controlling entity and the controlled entity and between the controlled entity and the entities controlled by the same controlling entity. The role of the controlled entity in the structure of these relationships, the	
	method and means of control	93
	1.1. Relationship structure	93
	1.2. Entities directly controlled by the controlling entity	94
	1.3. Entities directly controlled by the controlling entity and their subsidiaries	95
2.	Method and means of control	98
3. 4.	The role of the Prague Public Transit Company in the structure of controlling relationships in the Group and in business relations with related entities Negotiations conducted in the last financial year that have been made in the interest	98
	of the controlling entity or its controlled entities	98
5.	Assessment and evaluation	100
Аp	pendices:	
1.	List of contracts concluded in 2018 by the controlled entity with the controlling entity	101
2.	Contracts concluded in 2018 with entities controlled by the controlling entity - Directly	102
3.	Contracts concluded in 2018 with entities controlled by the controlling entity - Indirectly	103
4.	Diagram	105
D	nambla	

Preamble

The Board of Directors of the Prague Public Transit Company, with its registered office at Sokolovská 217/42, Prague 9, Postal Code 190 22, Company ID No.: 000 05 886, incorporated in the Commercial Register held at the Municipal Court in Prague, Section B, File 847 as a controlled company, prepared, pursuant to Section 82 of the Act on Business Corporations (hereinafter referred to as the "ABC"), the following report on relations between the Prague Public Transit

Company, a joint-stock company and the controlling entity and between the Prague Public Transit Company, a joint-stock company and entities controlled by the same controlling entity (hereinafter referred to as "related entities") for the previous accounting period from the 1st of January 2018 and the 31st of December 2018 (hereinafter referred to as the "reporting period").

This report for the reporting period will be attached to the annual report under the accounting legislation. The sole shareholder of the Controlled Entity will have the opportunity to become acquainted with it at the same time and under the same conditions as with the financial statements.

- 1. The structure of relations between the controlling entity and the controlled entity and between the controlled entity and the entities controlled by the same controlling entity. The role of the controlled entity in the structure of these relationships, the method and means of control
- 1.1 The structure of relations
- 1.1.1 The structure of relations between the related entities is branched and multi-tiered and it depends on the controlling (legal) entity, the City of Prague, Company ID No.: 000 64 581 (hereinafter referred to as the "controlling entity"). The controlling entity directly controls fifteen trading companies in the group of controlled entities (business corporations). Two of these companies, namely Pražská strojírna a.s., Company ID No.: 601 93 298, with its registered office at Prague 9 - Vinoř, Mladoboleslavská 133, Postal Code 19017, and Střední průmyslová škola dopravní, a.s., Company ID No.: 256 32 141, with its registered office in Prague 5, Plzeňská 298/217a, Postal Code 15000, controls the controlling entity within the scope of their general meetings.
- The basic structure of relationships in the group is shown in the diagram, which constitutes an integral part of this report. The structure of specific relations in the group, the member of which the Prague Public Transit Company was in the reporting period, and the position of individual members of this structure results, in addition to the aforementioned facts, also from the breakdown of related entities as contracting parties in the overview of mutual contracts referred to in this report.
- 1.2 In accordance with the information available to the Controlled Entity, the Controlling Entity controls the following **directly controlled entities:**

- a) Kolektory Praha, a.s., with its Registered Office in Prague 9, Pešlova 3, House No. 341, Postal Code 190 00, incorporated in the Commercial Register, File No. B 7813 held at the Municipal Court in Prague, Company ID No.: 267 14 124 (100% share)
- b) Kongresové centrum Praha, a.s., with its Registered Office at 5. května 1640/65, Nusle, 140 00 Prague 4, incorporated in the Commercial Register, File No. B 3275 held at the Municipal Court in Prague, Company ID No.: 630 80 249 (45.652% share)
- c) Obecní dům, a.s., with its Registered Office at náměstí Republiky 1090/5, Staré Město, 110 00 Prague 1, incorporated in the Commercial Register, File No. B 9990 held at the Municipal Court in Prague, Company ID No.: 272 51 918 (100% share)
- d) Pražská energetika Holding a.s. with its Registered Office in Prague 10, Na Hroudě 1492, Postal Code 10005, incorporated in the Commercial Register, File No. B 7020 held at the Municipal Court in Prague, Company ID No.: 264 28 059 (51% share)
- e) Pražská plynárenská Holding a.s. with its Registered Office at U plynárny 500/44, Michle, 140 00 Prague 4, incorporated in the Commercial Register, File No. B 7151 held at the Municipal Court in Prague, Company ID No.: 264 42 272 [100% share]
- f) Pražská vodohospodářská společnost a.s. with its Registered Office in Prague 1 Staré Město, Žatecká 110/2, Postal Code 11000, incorporated in the Commercial Register, File No. B 5290 held at the Municipal Court in Prague, Company ID No.: 256 56 112 (100% share)
- g) Pražské služby, a.s. with its Registered Office in Prague 9, Pod Šancemi 444/1, incorporated in the Commercial Register, File No. B 2432 held at the Municipal Court in Prague, Company ID No.: 601 94 120 (100% share)
- h) TRADE CENTRE PRAHA a.s. with its Registered Office in Prague 2, Blanická 1008/28, Postal Code 12000, incorporated in the Commercial Register, File No. B 43 held at the Municipal Court in Prague, Company ID No.: 004 09 316 [100% share]
- i) Úpravna vody Želivka, a.s. with its Registered Office at K Horkám 16/23, Hostivař, 102 00 Prague 10, incorporated in the Commercial Register, File No. B 7437 held at the Municipal Court in Prague, Company ID No.: 264 96 224 (90.0353% share)
- j) Zdroj pitné vody Káraný, a.s. with its Registered Office in Prague 1, Žatecká 110/2, Postal Code 11000, incorporated in the Commercial Register, File No. B 7438 held at the Municipal Court in Prague, Company ID No.: 264 96 402 [97.25% share]
- k) Operátor ICT, a.s. with its Registered Office at Dělnická 213/12, Holešovice, 170 00 Prague 7, incorporated in the Commercial Register, File No. B 19676 held at the Municipal Court in Prague, Company ID No.: 027 95 281 (100% share)
- l) Technická správa komunikací hl. m. Prahy, a.s. with its Registered Office at Řásnovka 770/8, Staré Město, 110 00 Prague 1, incorporated in the Commercial Register, File No. B 20059 held at the Municipal Court in Prague, Company ID No.: 034 47 286 (100% share)

- m) Výstaviště Praha, a.s. with its Registered Office at Výstaviště 67, Bubeneč, 170 00 Prague 7, incorporated in the Commercial Register, File No. B 5231 held at the Municipal Court in Prague, Company ID No.: 256 49 329 (100% share)
- n) Technologie hlavního města Prahy, a.s. (do 30.1.2018 TCP Vinohrady, a.s.) with its Registered Office at Dělnická 213/12, Holešovice, 170 00 Prague 7, incorporated in the Commercial Register, File No. B 5402 held at the Municipal Court in Prague, Company ID No.: 256 72 541 (100% share)
- o) Prague City Tourism a.s. with its Registered Office at Arbesovo náměstí 70/4, Smíchov, 150 00 Prague 5, incorporated in the Commercial Register, File No. B 23670 held at the Municipal Court in Prague, Company ID No.: 073 12 890 (100% share)
- 1.3 In accordance with data available to the controlled entity, the controlling entity controls indirectly these other entities and their subsidiaries

Companies with capital participation of the Prague Public Transit Company

- a) Pražská strojírna a. s. with its Registered Office in Prague 9 Vinoř, Mladoboleslavská 133, Postal Code 19017, incorporated in the Commercial Register, File No. B 2318 held at the Municipal Court in Prague, Company ID No.: 601 93 298 (100% share)
- b) Střední průmyslová škola dopravní, a.s. with its Registered Office in Prague 5, Plzeňská 298/217a, Postal Code 15000, incorporated in the Commercial Register, File No. B 5097 held at the Municipal Court in Prague, Company ID No.: 256 32 141 (100% share)
- c) RENCAR PRAHA, a. s. with its Registered Office at Rohanské nábřeží 678/25, Karlín, 186 00 Prague 8, incorporated in the Commercial Register, File No. B 86 held at the Municipal Court in Prague, Company ID No.: 005 06 397 [28% share]

Companies with capital participation of the Pražská energetika Holding a.s. Company

a) Pražská energetika, a.s. with its Registered Office in Prague 10, Na Hroudě 1492/4, Vršovice 100 00 Prague 10, incorporated in the Commercial Register, File No. B 2405 held at the Municipal Court in Prague, Company ID No.: 601 93 913 (58.046% share)

Companies with capital participation of the Pražská energetika, a.s. Company

- a) PREdistribuce, a.s. with its Registered Office in Prague 5, Svornosti 3199/19a, Postal Code 15000, incorporated in the Commercial Register, File No. B 10158 held at the Municipal Court in Prague, Company ID No.: 273 76 516 (100% share)
- b) eYello CZ, k.s. with its Registered Office at Kubánské náměstí 1391/11, Vršovice, 100 00, Prague 10, incorporated in the Commercial Register, File No. A 76596 held at the Municipal Court in Prague, Company ID No.: 250 54 040 [90% share]

94

- c) PREměření, a.s. with its Registered Office in Prague 10, Na Hroudě 2149/19, Postal Code 10005, incorporated in the Commercial Register, File No. B 5433 held at the Municipal Court in Prague, Company ID No.: 256 77 063 (100% share)
- d) KORMAK Praha a.s. with its Registered Office at K sokolovně 667/9, Uhříněves, 104 00 Prague 10, incorporated in the Commercial Register, File No. B 20181 held at the Municipal Court in Prague, Company ID No.: 485 92 307 (100% share)
- e) PREservisní, s.r.o. with its Registered Office at Na hroudě 1492/4, Vršovice, 100 00 Prague 10, incorporated in the Commercial Register, File No. C 215222 held at the Municipal Court in Prague, Company ID No.: 02065801 (100% share)
- f) PREzákaznická, a.s. with its Registered Office at Na hroudě 1492/4, Vršovice, 100 00 Prague 10, incorporated in the Commercial Register, File No. B 22870 held at the Municipal Court in Prague, Company ID No.: 065 32 438 (100% share)

Companies with capital participation of the PREdistribuce, a.s. Company

a) PREnetcom, a.s. with its Registered Office at Na hroudě 1492/4, Vršovice, 100 00 Prague 10, incorporated in the Commercial Register, File No. B 23057 held at the Municipal Court in Prague, Company ID No.: 067 14 366 (100% share)

Companies with capital participation of the PREměření, a.s. Company

- a) PRE FVE Světlík, s.r.o. with its Registered Office at Na hroudě 2149/19, Strašnice, 100 00 Prague 10, incorporated in the Commercial Register, File No. C 287994 held at the Municipal Court in Prague, Company ID No.: 280 80 378 (100% share)
- b) SOLARINVEST GREEN ENERGY, s.r.o. with its Registered Office at Na hroudě 2149/19, Strašnice, 100 00 Prague 10, incorporated in the Commercial Register, File No. C 153406 held at the Municipal Court in Prague, Company ID No.: 289 23 405 (100% share)
- c) FRONTIER TECHNOLOGIES, s.r.o. with its Registered Office at Na hroudě 2149/19, Strašnice, 100 00 Prague 10, incorporated in the Commercial Register, File No. C 106530 held at the Municipal Court in Prague, Company ID No.: 272 34 835 [100% share]

Companies with capital participation of the Pražská plynárenská Holding a.s. Company

a) Pražská plynárenská, a.s., with its Registered Office in Prague 1 - Nové Město, Národní 37, Postal Code 11000, incorporated in the Commercial Register, File No. B 2337 held at the Municipal Court in Prague, Company ID No.: 601 93 492 (100% share)

Companies with capital participation of the Pražská plynárenská a.s. Company

a) Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group, with its

Registered Office in Prague 4, U Plynárny 500, Postal Code 14508, incorporated in the Commercial Register, File No. B 10356 held at the Municipal Court in Prague, Company ID No.: 274 03 505 [100% share]

- b) Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group, with its Registered Office at U plynárny 1450/2a, Michle, 140 00 Prague 4, incorporated in the Commercial Register, File No. B 1878 held at the Municipal Court in Prague, Company ID No.: 471 16 471 (100% share)
- c) Prometheus, energetické služby, a.s., member of the Pražská plynárenská, a.s. Group, with its Registered Office in Prague 4, U Plynárny 500, Postal Code 14000, incorporated in the Commercial Register, File No. B 17568 held at the Municipal Court in Prague, Company ID No.: 630 72 599 (100% share)
- d) Pražská plynárenská Správa majetku, a.s., member of the Pražská plynárenská, a.s. Group, with its Registered Office in Prague 4 Michle, U Plynárny 500, Postal Code 14508, incorporated in the Commercial Register, File No. B 17753 held at the Municipal Court in Prague, Company ID No.: 274 36 551 (100% share)
- e) Informační služby energetika, a.s. with its Registered Office in Prague 4, U Plynárny 500, Postal Code 14100, incorporated in the Commercial Register, File No. B 7946 held at the Municipal Court in Prague, Company ID No.: 264 20 830 (100% share)

Companies with capital participation of the Pražské služby, a.s. Company

- a) AKROP s.r.o. with its Registered Office in Tuchoměřice, Ke Špejcharu 392, Postal Code 25267, incorporated in the Commercial Register, File No. C 81758 held at the Municipal Court in Prague, Company ID No.: 264 32 331 (100% share)
- b) Pražský EKOservis, s.r.o. with its Registered Office at Revoluční 1082/8, Nové Město, 110 00 Prague 1, incorporated in the Commercial Register, File No. C 229808 held at the Municipal Court in Prague, Company ID No.: 032 98 973 (100% share)
- c) EVOK, o.p.s. with its Registered Office at Vlkova 430/35, Žižkov, 130 00 Prague 3 incorporated in the Commercial Register, File No. 0 1319 held at the Municipal Court in Prague, Company ID No.: 024 12 390 [100% share]

Companies with capital participation of the Úpravna vody Želivka, a.s. Company

a) Želivská provozní a.s. with its Registered Office in Prague 10 - Hostivař, K Horkám 16/23, Postal Code 10200, incorporated in the Commercial Register, File No. B 19766 held at the Municipal Court in Prague, Company ID No.: 291 31 804 (100% share)

96

Companies with capital participation of the Zdroj pitné vody Káraný, a.s. Company

a) Vodárna Káraný, a.s. with its Registered Office at Žatecká 110/2, Staré Město, 110 00 Prague 1, incorporated in the Commercial Register, File No. B 18857 held at the Municipal Court in Prague, Company ID No.: 291 48 995 (100% share)

Companies with capital participation of the Pražská vodohospodářská společnost, a.s. Company

a) Pražské vodovody a kanalizace, a.s. with its Registered Office at Ke Kablu 971/1, Hostivař, 102 00 Prague 10, incorporated in the Commercial Register, File No. B 5297 held at the Municipal Court in Prague, Company ID No.: 256 56 635 (49% share)

2. Method and means of control

- 2.1. The controlling entity exercised direct control of the companies listed above in paragraph 1.1. during the reporting period through its shareholder rights. The control of other controlled corporations is carried out only through companies that control them and are themselves controlled by the Capital City of Prague, that is, exclusively indirectly.
- **2.2.** The Prague Public Transit Company is directly controlled by the Capital City of Prague.
- The role of the Prague Public Transit Company in the structure of controlling relationships in the Group and in business relations with related entities
- **3.1.** In relation to other controlled companies, the Prague Public Transit Company does not have any functional role either as a management element or as a supplier of business activities in accordance with its subject of business.
- 4. Negotiations conducted in the last financial year that have been made in the interest of the controlling entity or its controlled entities
- 4.1 In the last accounting period, the controlled entity did not take any action in the interest of the controlling entity or its controlled entities and that would involve assets that exceed 10% of the controlled entity's equity as determined by the most recent financial statements
- 4.2 Contracts listed in Appendix No. 1 were concluded between the controlled entity and the controlling entity in the 2018 accounting period. The fulfilment of these contracts did not cause any detriment to the controlled entity since they were concluded under terms and conditions customary in business relations and performance and consideration

- resulting therein correspond to the terms of the usual business relationship, taking into account the nature of the controlled entity's subject of business.
- **4.3** No other legal acts were performed between the controlled and the controlling entity in the interest of the controlling entity.
- **4.4** No measures have been taken in the interest of the controlling entity.
- **4.5** No measures have been implemented in the interest of the controlling entity.
- **4.6** No measures have been taken at the instigation of the controlling entity.
- 4.7 No measures have been implemented at the instigation of the controlling entity.
- 4.8 Contracts listed in Appendix No. 2 were concluded directly between the controlled entity and other entities controlled directly by the controlling entity in the 2018 accounting period. These contracts were concluded in the normal course of business and performance and consideration correspond to the conditions of normal business relations so that the fulfilment of these contracts cannot cause any damage to the controlled entity.
- 4.9 No other legal acts were carried out between the controlled entity and other entities controlled directly by the controlling entity in the interest of other entities controlled by the controlling entity.
- **4.10** No measures have been taken in the interest of other entities directly controlled by the controlling entity.
- **4.11** No measures have been implemented in the interest of other entities directly controlled by the controlling entity.
- 4.12 No measures have been taken at the instigation of other entities directly controlled by the controlling entity.
- **4.13** No measures have been implemented at the instigation of other entities directly controlled by the controlling entity.

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

- 4.14 Contracts listed in Appendix No. 3 were concluded directly between the controlled entity and other entities controlled indirectly by the controlling entity in the 2018 accounting period. These contracts were concluded in the normal course of business and performance and consideration correspond to the conditions of normal business relations so that the fulfilment of these contracts cannot cause any damage to the controlled entity.
- 4.15 No other legal acts were carried out between the controlled entity and other entities controlled indirectly by the controlling entity in the interest of other entities controlled by the controlling entity.

98 | 99

- **4.16** No measures have been taken in the interest of other entities indirectly controlled by the controlling entity.
- **4.17** No measures have been implemented in the interest of other entities indirectly controlled by the controlling entity.
- **4.18** No measures have been taken at the instigation of other entities indirectly controlled by the controlling entity.
- **4.19** No measures have been implemented at the instigation of other entities indirectly controlled by the controlling entity.

5. Assessment and evaluation

The Board of Directors of the Controlled Entity states that it is generally not possible to deduce the prevailing advantages or disadvantages or any risks from the relations between the entities referred to above. All contractual relationships were concluded between them in accordance with generally binding legal regulations and under conditions common in business relations between entrepreneurs.

Certain risks can be inferred from the relation to RENCAR PRAHA, a.s., Company ID No.: 005 06 397, whereby several court proceedings related to the contractual relationship from 1997 are conducted between the controlled entity and this entity, which was concluded in violation of generally binding legal regulations; therefore, this relationship should be considered by the judicial authorities to be null and void. As a result of the review of this agreement as valid or invalid, certain mutual claims could arise, including but not limited to 2018.

It follows from the above that the controlled entity incurred no financial loss due to the influence of the controlling entity in the fiscal year 2018.

On behalf of the Prague Public Transit Company:

Ing. Petr Witowski

Chairman of the Board of Directors

Ing. Ladislav Urbánek

Vice-Chairman of the Board of Directors

Appendix No. 1

List of contracts concluded in 2018 by the controlled entity with the controlling entity

Controlling entity	Controlled entity	Number of contracts concluded
Capital City of Prague	Prague Public Transit Company	146

Characteristics of contracts and their number:

- / Amendments to the public service obligation contract for the public service provided within the PID system for the 2010–2019 period 25,
- / Amendments to the public service contract in public rail and urban bus transport within the PID system for the 2010–2019 period 3,
- / Amendments to the public service contract for other transport services for the 2010–2019 period 2,
- / The public service contract on regular services provided within the PID system in the period of 4. 3. 2018–30. 11. 2019 1.
- / Amendment to the public service contract on regular services provided within the PID system in the period of 4. 3. 2018–30. 11. 2019 1.
- / Project Financing Agreement 3, Amendment to the Project Financing Agreement 6,
- / Contracts on Establishing an Easement 11,
- / Agreements on a Future Contract on Establishing an Easement 13,
- / Contracts on Establishing Usufruct 5,
- / Loan Agreement 12, Amendment to the Loan Agreement 3,
- / Agreements on a Future Contract on Establishing Usufruct 2,
- / Agreements on a Future Contract on Establishing an Easement Land Usufruct 6,
- / Contract on Establishing Land Usufruct 1,
- / Construction Agreement 3,
- / Lease Agreement 17, Amendment to the Lease Agreement 2.
- / Authorised person agreement 2,
- / Water Supply Contract 5,
- / Water and/or Sewage Relay Contract 3,
- / Contract for public lighting relocation 1,
- / Agreement on regulating mutual relations and obligations 1,
- / Contract for the provision of electricity 1,
- / Contract for cooperation in recording time fare for MHMP employees 1,
- / Purchase Contract 2,
- / Water supply and wastewater contract 14

Appendix No. 2

Contracts concluded in 2018 with entities DIRECTLY controlled by the controlling entity

Company's name	Number of contracts	Characteristic of contracts
Kolektory Praha, a.s.	0	
Kongresové centrum Praha, a.s.	0	
Obecní dům, a.s.	0	
Operátor ICT, a.s.	4	Consignment Agreement on Business Cooperation – 1, Amendment to the Consignment Agreement on Business Cooperation – 2, MOS Data Usage Agreement – 1
Prague City Tourism a.s.	0	
Pražská energetika Holding a.s.	0	
Pražská plynárenská Holding a.s.	1	Agreement on Settlement of Disputed Rights
Pražská vodohospodářská společnost a. s.	0	
Pražské služby, a.s.	0	
Technická správa komunikací hl. m. Prahy, a.s.	4	Contract Assignment Agreement – 2, Lease Agreement – 2
Technologie hlavního města Prahy, a.s.	0	
TRADE CENTRE PRAHA a.s.	0	
Úprava vody Želivka, a.s.	0	
Výstaviště Praha, a.s.	0	
Zdroj pitné vody Káraný, a.s.	0	



Appendix No. 3

Contracts concluded in 2018 with entities controlled INDIRECTLY by the controlling entity

Company's name	Number of contracts	Characteristic of contracts
Střední průmyslová škola dopravní, a.s.	5	Contract for the provision of teaching and training to obtain B+C and RB/C privileges – 1, Amendment to the Contract for the provision of teaching and training to obtain B+C and RB/C privileges – 1, Media Provision Agreement – 1, Amendment to the Lease Agreement – 1, Data Processing and Privacy Agreement – 1
RENCAR PRAHA	0	
Pražská strojírna, a.s.	5	Amendment to the General Purchase Agreement – 1, Amendment to the Contract for Work – 3, Storage Contract – 1
Pražská energetika a.s.	207	Contract for Associated Power Supply Services – 7, Amendment to the Contract for Associated Power Supply Services – 200
eYello CZ, k.s.	0	
PREměření a.s.	0	
KORMAK PRAHA a.s.	1	Lease Agreement
PREservisní s.r.o.	0	
PREzákaznická a.s.	0	
PREdistribuce a.s.	53	Amendment to the Connection Agreement – 1, Amendment to the Contract on Establishing an Easement – 1, Amendment to the Easement Contract – establishing of personal usufruct – 1, Agreement on the procedure for determining the price of immovable property – 1, Purchase Contract – 1, Lease Agreement – 4, Contract for short-term connection at HV level – 4, Contract for the handling, operation and work on electrical equipment – 7, Agreement on future contract for connection at HV level – 1, Agreement on future contract on establishing an easement – personal usufruct – 11, Agreement on future contract on establishing an easement in connection with the relocation of distribution system equipment – 1, The contract for equipment relocation – 3, Contract on Establishing an Easement – 1, Contract on Establishing an Easement – personal usufruct – 15, Contract on Establishing an Easement – land usufruct – 1
PREnetcom a.s.	0	

PRE FVE Světlík, s.r.o.	0	
SOLARINVEST -GREEN ENERGY, s.r.o.	0	
FRONTIER TECHNOLOGIES, s.r.o.	0	
Pražská plynárenská a.s.	37	Agreement on the settlement of disputed rights – 1, Agreement on the settlement – 1, Contract for Associated Gas Supply Services – 1, Amendment to the Contract for Associated Gas Supply Services – 34
Pražská plynárenská Distribuce	9	Distribution System Connection Agreement – 1, Contract on Establishing an Easement – 1, Agreement on the partial settlement – 1, Agreement on the settlement of disputed rights – 1, Agreement on future contract on establishing an easement – personal usufruct – 2, Contract on establishing personal usufruct – 2, Agreement on the settlement – 1
Pražská plynárenská Servis distribuce	1	Agreement on the settlement of disputed rights
Prometheus, energetické služby	0	
Pražská plynárenská Správa majetku	1	Agreement on the settlement of disputed rights
Informační služby – energetika, a.s.	0	
Pražské vodovody a kanalizace, a.s.	1	Agreement on the settlement of disputed rights
AKROP s.r.o.	0	
Pražský EKOservis, s.r.o.	0	
EVOK, o.p.s.	0	
Želivská provozní a.s.	0	
Vodárna Káraný, a.s.	0	

Diagram

Controlling entity - Capital City of Prague

Directly controlled entities	Company ID No.	Indirectly controlled entities	Company ID No.	Indirectly controlled entities	Company ID No.	Indirectly controlled entities	Company ID No.
Dopravní	000 05 886						
podnik hl. m. Prahy, akciová společnost		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	630 80 249						
Obecní dům, a.s.	272 51 918						
Pražská energetika Holding a.s.	264 28 059						
		Pražská energetika, a.s.	601 93 913				
				KORMAK Praha a.s.	485 92 307		
				eYello CZ, k.s.	250 54 040		
				PREměření, a.s.	256 77 063		
						PRE FVE Světlík, s.r.o.	280 80 378
						SOLARINVEST - GREEN ENERGY, s.r.o.	289 23 405
						FRONTIER TECHNOLOGIES, s.r.o.	272 34 835
				PREservisní, s.r.o.	020 65 801		
				PREzákaznická, a.s.	065 32 438		

				PREdistribuce, a.s.	273 76 516		
						PREnetcom, a.s.	067 14 366
Pražská plynárenská Holding a.s.	264 42 272						
		Pražská plynárenská, a.s.	601 93 492				
				Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	274 03 505		
				Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	471 16 471		
				Prometheus, energetické služby, a.s., Member of the Pražská plynárenská, a.s. Group	630 72 599		
				Pražská plynárenská Správa majetku, a.s., Member of the Pražská plynárenská, a.s. Group	274 36 551		
				Informační služby - energetika, a.s.	264 20 830		
Pražská vodo- hospodářská společnost a.s.	256 56 112						
		Pražské vodovody a kanalizace, a.s.	256 56 635				
Pražské služby, a.s.	601 94 120						

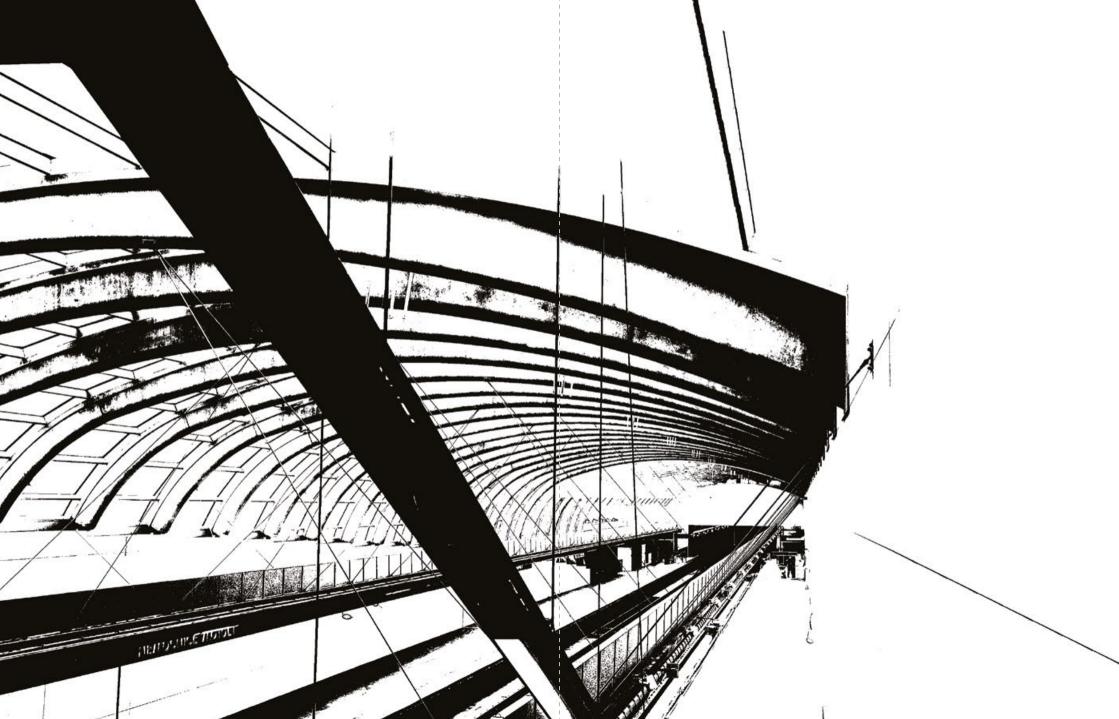
		AKROP s.r.o.	264 32 331		
		Pražský EKOservis, s.r.o.	032 98 973		
		EVOK, o.p.s.	024 12 390		
TRADE CENTRE PRAHA, a.s.	004 09 316				
Úpravna vody Želivka, a.s.	264 96 224				
		Želivská provozní a.s.	291 31 804		
Zdroj pitné vody Káraný, a.s.	264 96 402				
		Vodárna Káraný, a.s.	291 48 995		
Operátor ICT, a.s.	027 95 281				
Technická správa komunikací hl. m. Prahy, a.s.	034 47 286				
Výstaviště Praha, a.s.	256 49 329				
Technologie Hlavního města Prahy, a.s. (do 30. 1. 2018 TCP - Vinohrady, a.s.)	256 72 541				
Prague City Tourism a.s.	073 12 890				



LIST OF ABBREVIATIONS

Sports

٨٥	Alexand Francis	00N	
AE	Airport Express	00N	other personnel costs
OSH BŘ	Occupational Safety and Health Security Director	OPD	Operational Programme Transportation
ČS	*	OPPK	Operational Programme
ČS0B	Česká spořitelna bank Československá obchodní banka bank		Prague - Competitiveness
DHM	tangible fixed assets	P+R	park + ride
DNM	intangible fixed assets	PČR	Police of the Czech Republic
VAT	value added tax	PID	Prague Integrated Transport
DPP	Prague Public Transit Company	POP	operating personnel
Dř	Transport Director	POSPOLU	A programme promoting cooperation
FŘ	Economic Director		between schools and companies with a focus on vocational training
EU	European Union		in practice
F7S	electronic security system	PROVAS	the chemical warning system in the
GVD	train traffic graphical timetable		metro
HMP	Capital City of Prague	ROPID	Prague Public Transport Regional Organiser
HZS DP	Fire Rescue Service of the Public	RTT	reconstruction of the tram track
107	Transit Company	SDI	traffic information centre
ICT	computers and information technology	SPŠD	Secondary school of transport
IT	information technology	SSZ	light signalling device
JDCM	Metro Traffic Infrastructure Unit	Stř. STK	Vehicle inspection station centre
JPA	Bus Operation Unit	SÚ	residential structure
JPT	Tram Operation Unit	TCP	Trade Centre Prague
CZK	Czech crowns	TH	technical and economic (employees
CLA HR	collective labour agreement	TŘ	Technical Director
нк МČ	human resources	TT	tram track
MD MD	city district	OPC	The Office for the Protection of
MHD	The Ministry of Transportation		Competition
–	urban public transport	UTZ	designated technical equipment
MHMP	Prague City Hall	VpA	Audit Committee
MOS	multifunctional check-in system	VT	computer technology
MS MŠMT	Municipal Court	VTZ	selected technical equipment
MSMT	The Ministry of Education, Youth and		



Prague Public Transit Company,

a joint-stock company

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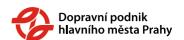
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Prague, April 2019

NOTES TO THE FINANCIAL STATEMENTS



ANNUAL REPORT 2018





NOTES TO THE FINANCIAL STATEMENTS FOR 2018

Contents

1 0-	and date	,
	neral data	4
1.1.	Foundation and characteristics of the company Changes and amendments in the Companying Register in the provious	6
1.2.	Changes and amendments in the Commercial Register in the previous accounting period	7
1.3.	31	10
	Identification of the group	11
1.5.		14
1.0.	Col pol ate boules	14
2. Ac	counting methods and general accounting principles	15
	erview of important accounting rules and procedures	16
	Fixed tangible and intabgible assets	18
	Fixed financial assets	20
3.3.	Inventory	21
3.4.	Receivables	22
3.5.	Current financial assets	23
	Liabilities from business relations	23
3.7.	Bills of exchange	23
3.8.	Derivatives	24
3.9.	Credit facilities	24
3.10.	Provisions	24
3.11.	Financial leasing	25
3.12.	Conversions of figures in foreign currencies to the Czech currency	25
3.13.	Taxes	26
3.14.	Compensations	26
3.15.	Subsidies	27
3.16.	Revenues	27
3.17.	Use of estimates	27
3.18.	Extraordinary costs and revenues	28
3.19.	Accounting on donations accepted	28
3.20.	Registration of loans in the off-balance records	29
3.21.	Cash flow statement	29
3.22.	Consolidated financial statements	29
4. Ad	ditional information on the balance sheet and profit and loss statement	30
4.1.	Company specifics	32
4.2.	Fixed intangible assets	32
4.3.	Fixed tangible assets	34
4.4.	Fixed financial assets	38
4.5.	Inventory	39
4.6.	Long-term receivables	41
4.7.	Short-term receivables	41

4.8.	Equity	47				
	Provisions	48				
4.10.	Bank credit facilities	48				
4.11.	Long-term liabilities from business relations and long-term advances	48				
4.12.	Deferred tax	49				
4.13.	Short-term liabilities	49				
4.14.	Existing liabilities arising from social security, public health insurance levies and life					
	insurance schemes, pension insurance, tax liabilities and subsidies	50				
4.15.	Estimated payables	51				
4.16.	Other short-term liabilities	52				
4.17.	Accrued liabilities	53				
4.18.	Revenues from common activities by main activities	53				
4.19.	Consumed purchases	57				
4.20.	Services	58				
4.21.	Depreciation of fixed intangible and tangible assets	59				
4.22.	Change in the state of provisions and adjustment of values in the operational area,					
	except for depreciation	60				
	Sold fixed assets and revenues from the sale of fixed assets	60				
	Material sold and revenues from the sale of material	60				
	Other operating revenues	60				
	Other operating costs	61				
	Revenues from fixed financial assets	61				
	Interest revenues and similar revenues	61				
	Interest costs and similar costs	62				
	Other financial revenues except for derivative transactions	62				
4.31.	Other financial costs except for derivative transactions	62				
5. Em	nployees, company management and statutory bodies	64				
	Personnel costs and number of employees	66				
	Provided loans, credit facilities or other performance	67				
	' '					
6. Lia	bilities not stated in the accounting	68				
7. Ap	proval of the Financial Statements of 2017, profit distribution for 2018	73				
	Approval of the Financial Statements for 2017	73				
7.2.	Roposal for distribution of profit for 2018	73				
8. Ev	ents occurring after the date of the Financial Statements	73				
9. Ca	sh flow statement	75				
Appr	Approval of the Notes to the Financial Statements for 2018 7					
Eull I	Balance Sheet	80				
	Full Profit and Loss Statement 8					
	Statement of Changes in Equity 86 Auditor's report 88					



1. GENERAL DATA

1.1. Foundation and characteristics of the Company

The accounting unit Dopravní podnik hl. m. Prahy, akciová společnost (the Prague Public Transit 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 190 22.

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

The company has the share capital amounting to CZK 31,239,495,000 created as a non-monetary deposit of the sole shareholder.

The share 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 of 31 December 2018

CZK 31,239,495,000

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

The Financial Statements of the company have been prepared as of 31 December 2018.

The accounting period is the calendar year: from 1 January 2018 to 31 December 2018.

The company's scope of business includes:

- / Operation of a tramway network, special railroad (metro system) and cableway (Petřín and Z00) and operation of railroad transport in the Capital City of Prague,
- / Repairs of road vehicles,
- / Operation of a driving school,
- / Psychological advisory services and diagnostics,
- / Restaurant services,
- / Provision of healthcare services.
- / Operation of a technical inspection station,
- / Operation of an emission measurement station,

- / 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, trading 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,
- / Operation of rail transport on the trolley-bus track,
- / Operation of trolley-bus track,
- / Revisions, inspections and testing of specified technical equipment in operation.

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

On 21 March 2018, the office of Vice Chairman of the Board of Directors ceased to exist for JUDr. Jan Blech and at the same time his membership in the Board of Directors was terminated. The deletion from the Commercial Register was made on 13 June 2018.

On 26 March 2018, the office of Vice Chairman of the Board of Directors arose to Ing. Ladislav Urbánek. The incorporation in the Commercial Register was made on 13 June 2018.

On 1 April 2018, the membership in the Board of Directors arose to Ing. Tomáš Kaas. The incorporation in the Commercial Register was made on 13 June 2018.

On 30 June 2018, the membership in the Board of Directors was terminated to Ing. Jan Šurovský, Ph.D. The deletion from the Commercial Register was made on 11 July 2018.

On 21 August 2018, the membership in the Board of Directors was terminated to PhDr. Jiři Špička by expiration of term of office. On 22 August 2018, the membership in the Board of Directors arose to PhDr. Jiři Špička by re-election. The incorporation in the Commercial Register was made on 11 September 2018.

On 19 December 2018, the office of Chairman of the Board of Directors ceased to exist for JUDr. Martin Gillar and at the same time his membership in the Board of Directors was terminated. The deletion from the Commercial Register was made on 30 January 2019.

On 19 December 2018, the membership in the Board of Directors was terminated to Ing. Tomáš Kaas. The deletion from the Commercial Register was made on 30 January 2019.

On 20 December 2018, the office of Chairman of the Board of Directors arose to Ing. Petr Witowský and at the same time his membership in the Board of Directors arose. The incorporation in the Commercial Register was made on 30 January 2019.

On 20 December 2018, the membership in the Board of Directors arose to Ing. Jan Šurovský, Ph.D. The incorporation in the Commercial Register was made on 30 January 2019.

On 20 December 2018, the membership in the Board of Directors arose to Ing. Filip Tulák. The incorporation in the Commercial Register was made on 30 January 2019.

Changes in records concerning the members of the Supervisory Board

On 9 January 2018, the office of the Chairman of the Supervisory Board ceased to exist for Mr. Petr Dolínek and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 11 July 2018.

On 10 January 2018, the membership in the Supervisory Board arose to PhDr. Lukáš Kaucký and on 24 January 2018 the office of Chairman of the Supervisory Board arose to him. The incorporation in the Commercial Register was made on 11 July 2018.

On 6 March 2018, the office of Vice Chairman of the Supervisory Board ceased to exist for Ing. Jarmila Bendová and at the same time her membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 11 July 2018.

On 7 March 2018, the membership in the Supervisory Board arose to Mr. Miroslav Nauč and on 21 March 2018 the office of Vice Chairman of the Supervisory Board arose to him. The incorporation in the Commercial Register was made on 11 July 2018.

On 27 March 2018, the office of Vice Chairman of the Supervisory Board ceased to exist for Mr. Miroslav Nauč and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 26 July 2018.

On 27 March 2018, the membership in the Supervisory Board arose to Ing. Karl Grabein Procházka and at the same time the office of Vice Chairman of the Supervisory Board arose to him. The incorporation in the Commercial Register was made on 26 July 2018.

On 30 August 2018, the office of Chairman of the Supervisory Board ceased to exist for PhDr. Lukáš Kaucký and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 27 November 2018.

On 30 August 2018, the membership in the Supervisory Board arose to Mgr. Jan Smetana. The incorporation in the Commercial Register was made on 27 November 2018.

On 26 September 2018, the office of Chairman of the Supervisory Board arose to Ing. Vojtěch Kocourek, Ph.D. The incorporation in the Commercial Register was made on 27 November 2018.

On 29 November 2018, the office of Vice Chairman of the Supervisory Board ceased to exist for

Mr. Jiří Obitka and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 30 January 2019.

On 29 November 2018, the membership in the Supevisory Board was terminated to Ing. Peter Hlaváč, Mr. Vratislav Feigel, Bc. Jan Kolář and Mr. Jan Lebeda. The deletion from the Commercial Register was made on 30 January 2019.

On 30 November 2018, the membership in the Supervisory Board arose to Mr. Josef Buriánek, Bc. Jan Holub, Mr. Tomáš Novotný, Mr. Jiří Obitka and Bc. Oldřich Schneider. The incorporation in the Commercial Register was made on 30 January 2019.

On 4 December 2018, the office of Chairman of the Supervisory Board ceased to exist for Ing. Vojtěch Kocourek, Ph.D. and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 30 January 2019.

On 4 December 2018, the office of Vice Chairman of the Supervisory Board ceased to exist for Ing. Karl Grabein Procházka and at the same time his membership in the Supervisory Board was terminated. The deletion from the Commercial Register was made on 30 January 2019.

On 4 December 2018, the membership in the Supervisory Board was terminated to Ing. Marek Doležal, Ing. Petr Hlubuček, JUDr. Petr Novotný, Mr. Martin Slabý, Mgr. Jan Smetana, Mr. Petr Šimůnek and Mr. Jaroslav Štěpánek. The deletion from the Commercial Register was made on 30 January 2019.

On 5 December 2018, the membership in the Supervisory Board arose to Ing. Adam Scheinherr, Ph.D., MSc., and on 19 December 2018 the office of Chairman of the Supervisory Board arose to him. The incorporation in the Commercial Register was made on 30 January 2019.

On 5 December 2018, the membership in the Supervisory Board arose to Ing. Marek Doležal, Ing. Petr Hlubuček, Mr. Jan Marek, Ing. Tomáš Mikeska, Ing. Michal Štěpán, PaedDr. Ivo Vašíček, Mr. Pavel Vyhnánek, M.A. and Ing. Michal Zděnk, M.A. The incorporation in the Commercial Register was made on 30 January 2019.

On 19 December 2018, the office of Vice Chairman of the Supervisory Board ceased to exist for Mgr. Petra Kolínská. The deletion from the Commercial Register was made on 30 January 2019.

On 19 December 2018, the office of Vice Chairman of the Supervisory Board arose to Mr. Jan Marek, Mr. Pavel Vyhnánek, M.A. and Bc. Oldřich Schneider. The incorporation to the Commercial Register was made on 30 January 2019.

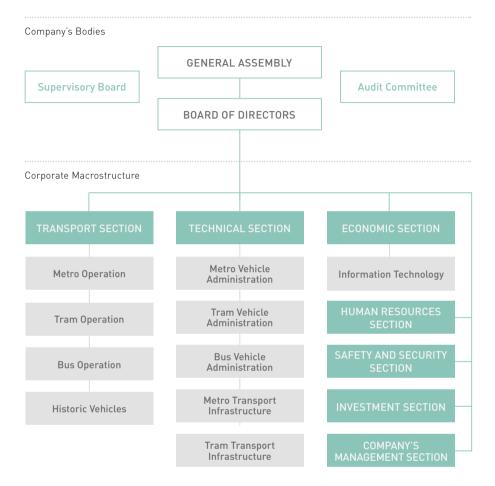
Incorporation of the scope of business

On 13 December 2018, the following scope of business was incorporated in the Commercial Register:

- / Operation of rail transport on the trolley-bus track,
- / Operation of the trolley-bus track,
- / Revisions, inspections and testing of specified technical equipment in operation.

1.3. Organisational structure of the company

Organisational structure of the company as of 31 December 2018



1.4. Identification of the group

The sole shareholder of DP

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

Affiliated Business Companies of DP

Business Name	% share of HMP on the share capital	Registered Office	ID No.
Kolektory Praha, a.s.	100	Prague 9, Pešlova 3, čp. 341	26714124
Kongresové centrum Praha, a.s.	45,652	Prague 4, 5. května 1640/65	63080249
Obecní dům, a.s.	100	Prague 1, nám. Republiky 1090/5	27251918
Operátor ICT, a.s.	100	Prague 7, Dělnická 213/12	02795281
Prague City Tourism a.s.	100	Prague 5, Arbesovo náměstí 70/4	07312890
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 vodohospodářská společnost a.s.	100	Prague 1, Žatecká 110/2	25656112
Pražské služby, a.s.	100	Prague 9, Pod Šancemi 444/1	60194120
Technická správa komunikací hl. m. Prahy, a.s.	100	Prague 1, Řásnovka 770/8	03447286
Technologie hlavního města Prahy, a.s.	100	Prague 7, Dělnická 213/12	25672541
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

The company "TCP - Vinohrady, a.s." changed its business name, according to the record in the Commercial Register, to "Technologie hlavního města Prahy, a.s." as of 22 June 2018.

Subsidiaries and related business companies of DP

Business Name	% share of DP on share capital	Registered Office	ID 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

Share in the affiliated business company RENCAR PRAHA, a.s.

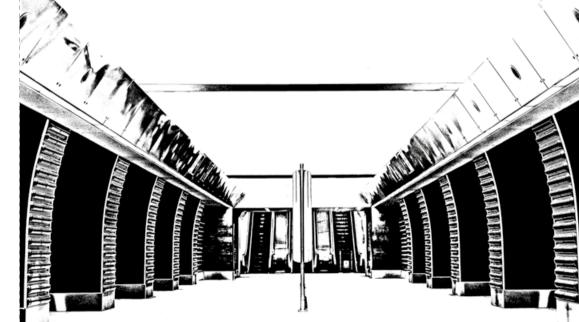
Business Name	% share of RENCAR PRAHA, a.s. on share capital	Registered Office	ID No.
RENCAR MEDIA s.r.o.	100	Prague 8, Rohanské nábřeží 678/25	25082906

Overview of subsidiaries and related business companies at affiliated companies of DP as of 31 December 2018

Affiliated companies	Indirectly controlled companies and subsidiaries companies	% share on share capital	Registered Office	ID No.
Pražská energetika Holding a.s.	Indirectly controlled company	% share of PREH in PRE		
	Pražská energetika, a.s.	58,046	Prague 10, Na Hroudě 1492/4	60193913
	Companies with capital participation of PRE, a.s.	% share of PRE in the subsidiary		
	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
	PREservisní, s.r.o.	100	Prague 10, Na Hroudě 1492/4	02065801
	PREzákaznická, a.s.	100	Prague 10, Na Hroudě 1492/4	06532438
	PREdistribuce, a.s.	100	Prague 5, Svornosti 3199/19a	27376516
	Companies with capital participation of PREdistribuce, a.s.	% share of PRE distribuce, a.s. in the subsidiary		
	PREnetcom, a.s.	100	Prague 10, Na Hroudě 1492/4	06714366
	Companies with capital participation of PREměření, a.s.	% share of PRE měření, a.s. in the subsidiary		
	PRE FVE Světlík, s.r.o.	100	Prague 10, Na Hroudě 2149/19	28080378
	SOLARINVEST – GREEN ENERGY, s.r.o.	100	Prague 10, Na Hroudě 2149/19	28923405
	FRONTIER TECHNOLOGIES, s.r.o.	100	Prague 10, Na Hroudě 2149/19	27234835
Pražská plynárenská Holding a.s.	Indirectly controlled company	% share of PPH in PP		
	Pražská plynárenská, a.s.	100	Prague 1, Národní 37	60193492
	Companies with capital participation of PP, a.s.	% share of PP in the subsidiary		
	Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	100	Prague 4, U Plynárny 500	27403505
	Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	100	Prague 4, U Plynárny 1450/2a	47116471
	Prometheus, energetické služby, a.s., member of the Pražská plynárenská, a.s. Group	100	Prague 4, U Plynárny 500	63072599

	Pražská plynárenská Správa majetku, a.s., member of the Pražská plynárenská, a.s. Group	100	Prague 4, U Plynárny 500	27436551
	Informační služby – energetika, a.s.	100	Prague 4, U Plynárny 500	26420830
Pražská vodohos- podářská společnost a.s.	Companies with capital participation of PVS	% share of PVS on share capital		
	Pražské vodovody a kanalizace, a.s.	49	Prague 10, Ke Kablu 971/1	25656635
Pražské služby, a.s.	Companies with capital participation of PS	% share of PS non share 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 capital participation of ÚVŽ	% share of ÚVŽ on share capital		
	Želivská provozní s.r.o.	100	Prague 10, K Horkám 16/23	29131804
Zdroj pitné vody Káraný, a.s.	Companies with capital participation of ZPVK	% share of ZPVK on share capital		
	Vodárna Káraný, a.s.	100	Prague 1, Žatecká 110/2	29148995

The company "KORMAK nemovitosti s.r.o." changed its business name, according to the record in the Commercial Register, to "PREservisní, s.r.o." as of 1 October 2018.



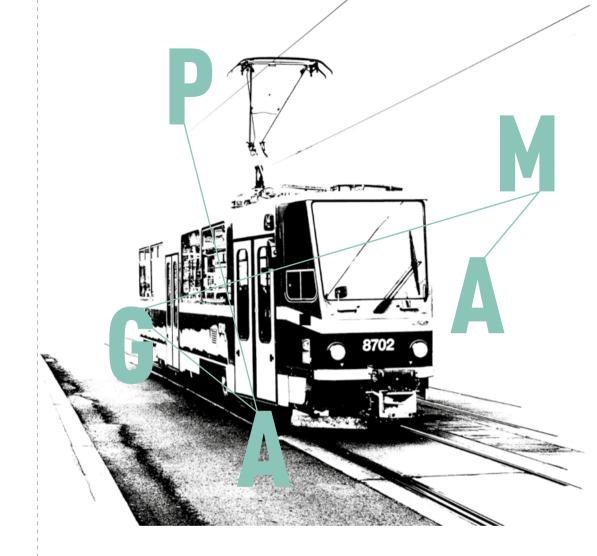
1.5. Corporate bodies

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

The General Assembly is the supreme corporate body of the company. The competence of the is performed, according to provisions of Section 68(2)(h) of 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).

Představenstvo, dozorčí rada a výbor pro audit k 31. 12. 2018

	Position	Name	
	Chairman	Ing. Petr Witowski	
	Vice Chairman	Ing. Ladislav Urbánek	
Board of Directors	Member	PhDr. Jiří Špička	
	Member	Ing. Jan Šurovský, Ph.D.	
	Member	Bc. Filip Tulák	
	Chairman	Ing. Adam Scheinherr, Ph.D., MSc.	
	Vice Chairman	Jan Marek	
	Vice Chairman	Bc. Oldřich Schneider	
	Vice Chairman	Pavel Vyhnánek, M.A.	
	Member	Josef Buriánek	
	Member	Ing. Marek Doležal	
	Member	Ing. Petr Hlubuček	
Supervisory Board	Member	Bc. Jan Holub	
	Member	Mgr. Petra Kolínská	
	Member	Ing. Tomáš Mikeska	
	Member	Tomáš Novotný	
	Member	Jiří Obitko	
	Member	Ing. Michal Štěpán	
	Member	PaedDr. Ivo Vašíček	
	Member	Ing. Michal Zděnek, M.A.	
Audit Committee	Vice Chairman	Ing. Zdena Javornická	
Addit Committee	Member	Ing. Ladislav Langr	



2. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES

The accounting of the company is conducted and the Financial Statements have been prepared in accordance with Act No. 563/1991 Coll. on accounting, as amended, Decree No. 500/2002 Coll. (hereinafter referred to as "the Decree"), implementing certain provisions of 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).

14 | 1



3. OVERVIEW OF IMPORTANT ACCOUNTING RULES AND PROCEDURES

3.1. Fixed tangible and intangible assets

The term "fixed assets" denotes the assets with useful life longer than one year and with valuation in an individual case higher than CZK 40,000 (intangible assets and tangible assets except for land, constructions and buildings, including utility networks, water works, rights to build, unless they are goods, apartments and non-residential premises defined as units and works of art and easments to land and constructions). Land, buildings and constructions, including utility networks, water works, rights to build, unless they are goods, apartments and non-residential premises outlined as units, easements to land and constructions and works of art are considered as fixed assets, regardless of their valuation. Additionally, the term "fixed assets" also includes the assets which are purchased partly by using the company's own resources and partly by using the subsidy whereby 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 definition of technical appreciation which increases the value of the 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). These assets are accrued for 2 years and registered in off-balance except for extraordinary events.

Costs associated with acquisition of fixed assets

The valuation of fixed intangible and tangible assets and technical appreciation 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 the alternative solutions,
- / Customs, assembly, transport fees, fee for ecological disposal, packaging fees,
- / Residual price of disabled buildings or their parts as a result of new constructions,
- / Costs of tenders,
- / Compensations for limitation of ownership rights, compensations for property damages to the real estate lessee or tenant.
- / Tests before putting the assets into the condition eligible for 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 funded from the EU structural funds, the acquisition price of the fixed assets includes also the auditor's verification, advisory activities and other costs associated with the processing of the application for funding from the EU structural funds,
- / Real estate acquisition tax,
- / Induced investment in case of meeting the conditions according to NÚR I 20.

When recording and valuating land in DP, the following 4 options are distinguished:

- 1) In case that due to digitisation of cadastral maps (their precision) a situation occurs that the Real Estate Cadastre specifies a different surface area of land than the one specified on the property card in the accounting system, the surface area of the land on the property card shall be changed. The valuation of the land shall remain unchanged.
- 2) If it is necessary to correct errors in the surface area of the land discovered by the Real Estate Cadastre itself, the surface area specified on the property card shall be changed. The valuation of the land shall remain unchanged.
- 3) If it is found out that the DP accounting states a surface area of the land different (lower or higher) than the one which is stated in the Real Estate Cadastre, the surface area of the land on the property card shall be changed, so that it corresponds to the Real Estate Cadastre without modification of the land valuation.
- 4) If the accounting records do not state the land which DP owns according to the Extract from the Real Estate Cadastre, then it is necessary to include the land into the records with the surface area according to the Real Estate Cadastre and the valuation of the land shall be carried out according to an expert opinion, which is to include the administrative and market prices, and which shall be introduced into the accounting records at a lower price for prudential reasons.

When creating new assets or carrying out a change in the assets of third persons which are not associated with the mission of DP, the execution of which, however, is necessary for acquisition and use of the DP assets, DP proceeds as with an induced investment. It registers these assets on the acquisition accounts and, at the time of putting the main investment into use, these investment costs spent by using the company's own resources become a part of the acquisition price of the assets in accordance with interpretation of NÚR I-20.

In 2018, reproduction cost was used for valuation of the easements acquired free of charge. The reproduction cost was determined on the basis of an expert opinion.

Fixed tangible assets created by the company's own activities are valued by the company's own costs, i.e. by all direct and indirect costs which are immediately associated with creation of the fixed assets.

Fixed intangible assets and fixed tangible assets are depreciated by linear method 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.



The length of expected 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 from 2001	40
- Renovated metro carriages	15
- Trams T3R.P	15
14T, 15T	30
Other types of trams	20
- Buses	10

Depreciation of established easements and right to build in favour of the company is as follows:

Easement and of the rightto build	Time of creation	Depreciation horizon
Up to CZK 40,000	Definite	24 months
Ορ to CZN 40,000	Indefinite	24 months
From CZK 40,000 to CZK 10.000.000	Definite	According to the time specified in the contract, for which the easement or the right to build has been established
10 CZK 10,000,000	Indefinite	48 months for the easement and 99 years for the right to build
More than	Definite	According to the time specified in the contract, for which the easement or the right to build has been established
CZK 10,000,000	Indefinite	30 years for the easement and 99 years for the right to build

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

As of the date of the Financial Statements, allowances are created to the accounts of fixed assets. Their amount is identified on the basis of inventory and individual assessment of the actual status of individual items, when the utility value of the fixed assets is significantly lower than their valuation in the accounting system after subtracting the accumulated amortisation, and this value reduction cannot be considered as a reduction of a permanent nature.

3.2. Fixed financial assets

Fixed financial assets represent property participation (shareholding) in controlled and controlling entities and in accounting units under significant influence. Acquisition of these assets is recognised at acquisition price.

Property participation in controlled entities and in accounting units under significant influence is valued as of the date of the Financial Statements by the equivalence method, i.e. the value of property participation is as of the date of the Financial Statements adjusted to the value corresponding to the degree of participation of the company in the equity of the subsidiary. The valuation by equivalence is accounted as a change in the value of securities, in relation with account No. 414 – Valuation differences from revaluation of assets and liabilities.

3.3. Inventory

Purchased inventory is valued at acquisition cost. The acquisition cost of the inventory includes the cost associated with the acquisition, in particular transport fees, commissions, customs, insurance fees, packaging fees, postage, discounts, disposal fees (PHE fee).

Inventory of the same kind is held in stock at the price assessed by means of the weighted arithmetic means.

If the costs associated with the acquisition are not a part of the acquisition cost of particular materials and goods, they are recorded on a separate analytical account of the inventory and once a month they are released into consumption of materials and goods according to the internal guideline. This procedure is used in the company also for transport fees ensured by intra-company services.

The method of the accounting of a change in the state of inventory of own activities has been changed since 1 January 2016 on the basis of an amendment to Decree No. 500/2002 Coll. The increments or decrements of the inventory (products, unfinished production and semi-finished products of own production) are accounted through the corresponding cost account. Increments in the inventory are credited to the corresponding cost account of account group 58 - Change in the state of inventory of own activities and capitalisation, while decrements in the inventory are debited to this account. This item can also have a negative value.

In DP, a change in unfinished production is accounted through the corresponding account 581 - Change in the state of inventory of unfinished production.

The acquisition and decrement of the inventory in central and operational warehouses are carried ou in accordance with method A defined in the Czech Accounting Standard for Entrepreneurs No. 15.

Since 2017, an entry defined as "standby storage facilities" has been established in DP, serving for assurance of activities associated with physical takeover, storage and shipment of products necessary to ensure the operation in the case of extraordinary events and other operational matters. This is a change in the method of reporting, when these storage facilities are reported by balance-sheet method and their initial state was introduced on the basis of physical inventory taking place through synthetic account 427 – Other comprehensive income. The acquisition and decrement of the inventory is in this case carried out in a monthly periodicity in accordance with method B defined in the Czech Accounting Standard for Entrepreneurs No. 15.

The inventory created by own activities is valued by means of own costs.

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 consist of: direct consumption of materials, energy, direct wages, social security and public health insurance, share of production overheads, cooperation, transport fees.

The method of 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 Decree No. 500/2002 Coll.

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

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

The reproduction price of the inventory was determined according to the current average stock price at the time of finding a surplus in the inventory (diesel oil, coolant, oil, other operation liquids). The reproduction price determined by an expert estimate is used for the inventory arising from the material acquired from disposal or repairs of fixed assets. Spare parts for trams within the post-warranty period, which are provided by the supplier free of charge, are valued by reproduction price, i.e. in this case by usual price in the time of acceptance of these spare parts.

Allowances to the inventory are created according to the underlying materials of the Inventory Management Section. These allowances were created on the basis of the inventory taking carried out, after the review of the state, storage time and with regard to the presumed unusability and minimum merchantability.

3.4. Receivables

Receivables are valued on their origination by nominal value and subsequently reduced by applicable allowances to receivables difficult to collect.

The receivables with maturity one year and less at the time at which the Financial Statements have been prepared, are reported as short-term (current) receivables. The other receivables are reported as long-term (non-current) receivables.

Processing the allowances to receivables

Taking into account the change of processes in the area of monitoring and life of receivables in

DP, a new programme has been created regarding processing the allowances to receivables. The processing of allowances to receivables is always associated with net value of the receivable to a single business partner. Allowances to receivables maturing before 31 December 2013 were released and created in the new programme again, while respecting the partner's balance according to the original scheme of creation. Allowances to receivables maturing after 1 January 2014 were created according to Act No. 593/1992 Coll., on provisions, and according to the company's quideline "Chart of accounts, accounting procedures and depreciation plan".

Allowances to receivables from business relations and to other receivables are created according to applicable laws and instructions of the Legal Department. Tax allowances are created in the amount which is enabled by the applicable law. For receivables which are overdue for half a year to one year, accounting allowances are created in such an amount that the total value of the tax and accounting allowances forms 50% of the unsettled balance sheet value of the receivable. For receivables which are overdue for more than one year, allowances are created up to 100% of the balance sheet value of the receivable.

Accounting allowances are created to receivables from surcharges to fare and to receivables from fare. Their amount is determined as a percentage of the expected rate of repayment and recoverability of these receivables.

The mutual offsetting of payables and receivables takes place within the meaning of the Civil Code according to agreements between business partners.

3.5. Current financial assets

If necessary, the company takes advantage of debt securities held until maturity – bills of exchange acquired as short-term appreciation of available funds with maturity shorter than one year.

The company does not record any current financial assets for 2018.

3.6. Liabilities from business relations

Liabilities from business relations are accounted in a nominal value.

The liabilities with maturity of one year and lower, at the time at which the Financial Statements have been prepared, are reported as short-term (current) liabilities. Other liabilities are reported as long-term (non-current) liabilities.

3.7. Bills of exchange

Bills of exchange are securities containing data predetermined by law, based on which a debt obligation arises that provides the owner of the bill of exchange with an undisputable right to require the payment of the bill amount at the specified time.

Bills of exchange are registered as short-term liabilities on the statements' line "Short-term payable bills of exchange". These are own bills of exchange issued by the Issuer, i.e. DP, to the order of creditors with a "without protest" clause. The minimum nominal value of bills of exchange is CZK 200 million. The bills of exchange programme amounted in total to CZK 8 billion and was, as of 31 December 2016, drawn in full. In the period from 19 December 2017 to 19 December 2018, the bills of exchange in the total amount of CZK 5.6 billion were issued. On 19 December 2018, the third instalment was carried out of an amount of CZK 800 million. Altogether the amount of CZK 3.2 billion was paid up as of 19 December 2017 within the framework of the bill of exchange programme. As of 31 December 2018, the balance of the bill of exchange programme amounts to CZK 4.8 billion.

3.8. Derivatives

In accordance with the interest risk management strategy, the company minimises its exposures to cash flows resulting from these business activities. In this context the company concludes interest derivative transactions which reduce the risk of changes in values of the future cash flows resulting from the financing by way of the bill of exchange programme.

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

The company applies hedge accounting to all derivatives and the effectiveness tests were carried out for all derivative transactions in 2018.

3.9. Credit facilities

Credit facilities are accounted in nominal values. The interest on credit facilities are accounted to the profit and loss for the accounting period to which they are related. In accordance with Section 47(1) of the Decree, the company has decided not to include the interest on credit facilities into the valuation of fixed assets and technical appreciation.

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 2018.

3.10. Provisions

Provisions are intended for covering liabilities or costs the nature of which is clearly defined and for which it is, as of the Balance Sheet day, either probable or sure that they will occur with their amount or the time of their occurrence not being certain.

The provision for compensation of occupational accidents and diseases of some former employees is created on the basis of statistical evaluation of available historical data in an

amount of present value of expected future payments on the basis of claims arising until the date of the Financial Statements.

The provisions for remunerations of senior employees 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 work provided in the accounting period, but also on meeting other conditions, i.e. approval by a responsible person or by a corporate body of the company.

Provisions for staff benefits are created for employment anniversaries, for retirement and for unused vacations with wage compensation according to the Collective Labour Agreement. Due to the current wording of the Collective Labour Agreement, with no expectation of significant changes in these benefits, the provisions for employment anniversaries and for retirement are always created by the moving method for the period of the next three years (the Collective Labour Agreement validity) and registered in the discounted value.

The provisions for future repairs of fixed tangible assets that are created due to accidents and damages are fully or partially covered by creation of estimated items for expected insurance claims. In the case of expected significant repairs due to accidents and damages, the accounting provisions for these repairs have not been created and the revenues haven not been reported in the form of estimated assets due to the insurance claim since 2018. In this manner, the principle of material and time connection of costs and revenues is maintained without nominal increase of the provisions' balance sheet values. The amount of these expected repairs is stated in the notes to the Financial Statement.

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

3.11. Financial leasing

Financial leasing includes the acquisition of fixed tangible assets in the manner whereby the ownership of the assets is after the lapsing of the agreed time period of the use of the assets by the user for consideration transferred from the owner to the user and the user pays for the acquisition within the framework of the costs until the transfer of the ownership right. In 2018, the company did not have any property acquired by 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 using the daily exchange rate of the bank within the meaning of applicable regulations.

Since 1 July 2018, the foreign currencies under foreign currency treasury desk are converted using daily exchange rates of the CNB.

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

The assets and liabilities denominated 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 of that date and the identified exchange rate differences are accounted, according to their nature, into costs or revenues.

3.13. Taxes

3.13.1. Tax depreciation of fixed assets

The linear 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" refers to 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 include the 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 for tax purposes in the future.

Deferred tax payables and receivables are mutually offset and reported in the net value in the Balance Sheet.

3.14. Compensations

In accordance with 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 the performance of the public service obligation and the incomes arising in connection with the public service obligation and ensure the reasonable profit, which is to enable creation of the company's own resources for the financing of renewal of assets and for other investments focused on the increase in the quality of services agreed by the Client. The Public Service Contract between the company and the Capital City of Prague determines 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 Public Service Contract, the company accounts, in the course of the year, about the advance payment received for compensation and about the estimated item of the operational part of the compensation in an amount of the planned

need, which is to be cancelled at the end of the year. Within the framework of the Annual Financial Statements, the receivable from the public service obligation is accounted and so is a reasonable profit within the compensation. At the same time the received advance payment is offset and the receivable amount is financially settled. The compensation amount is accounted into revenues as the revenue from sale of the company's own products and services and in the Profit and Loss Statement it is recorded on a separate line – see point 4.1.1.

3.15. Subsidies

Subsidies for settlement of costs are accounted into other operational revenues 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 of technical appreciation reduce their acquisition price or the company's own costs at the moment of capitalisation. As of the Balance Sheet day the use of the subsidy will be accounted into the fixed assets that are not capitalised yet.

3.16. Revenues

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

Other revenues are accounted into the time period with which they are associated in terms of material and time.

Revenues and incomes concerning future periods are subject to accruals and deferrals.

Accruals and deferrals of revenues from easements established on the assets of the company are as follows:

Acquisition price of the easement	Establishment time	Accruals and deferrals			
Up to	Definite	Not carried out due to an insignificant amount			
CZK 40,000	Indefinite	Revenue of the given period			
From Definite		According to the time specified in the contract for which the easement is established			
CZK 10,000,000	Indefinite	Revenue of the given period			
Marrie	Definite	According to the time specified in the contract for which the easement is established			
More than CZK 10,000,000	Indefinite	The revenues are divided by using the proportional part according to the remaining lifetime of the real estate to which the easement has been established			

3.17. Use of estimates

The preparation of the Financial Statements requires the company to use the estimates and assumptions affecting the reported values of assets and liabilities as of the date of the Financial

Statements and the reported amount of revenues and costs for the time period monitored. The company determined these estimatess and assumptions on the basis of all relevant information available. Nevertheless, as the substance of the estimates implies, the actual values in the future may differ from these estimates.

3.18. Extraordinary costs and revenues

These items contain revenues and costs from operations which are absolutely extraordinary with regard to usual activities of the accounting unit, as well as revenues and costs from extraordinary events occurring on a random basis. In 2018, the company does not register any extraordinary costs and revenues. Separate accounting and reporting of extraordinary costs and revenues in groups 58 and 68 has been cancelled since 1 January 2016 on the basis of an amendment to Decree No. 500/2002 Coll. The extraordinary costs and revenues are reported, depending on their nature, as operational or financial costs and revenues. The are broken down into the items: Other operating revenues, Other operating costs, Other financial revenues and Other financial costs. This means that only operational and financial profit and loss remains in the Profit and Loss Statement.

3.19. Accounting of donations accepted

Donations accepted are accounted as Other operating revenues – account group 64, or Other financial revenues (accepted donations 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

Should DP be on part of the borrower the subject matter of a loan is registered through off-balance records on account 76201 Accepted loans. This account registers borrowed assets the valuation of which in an individual case is CZK 40,000 and more and which, as of the date of the Financial Statements, continue to the next year.

3.21. Cash flow statement

The cash flow statement was prepared using the indirect method. The financial equivalents represent short-term liquid assets, which can be transferred easily and immediately to the cash amount which is known in advance. The funds and financial equivalents can be analysed as follows:

(figures in CZK thousand)

Financial equivalent	31. 12. 2018	31. 12. 2017
Treasury cash and cash in transit, valuables	44 306	44 634
Bank accounts and cash in transit	6 255 125	2 473 188
Short-term securities and participations	0	3 169 592
Funds and financial equivalents in total	6 299 431	5 687 414

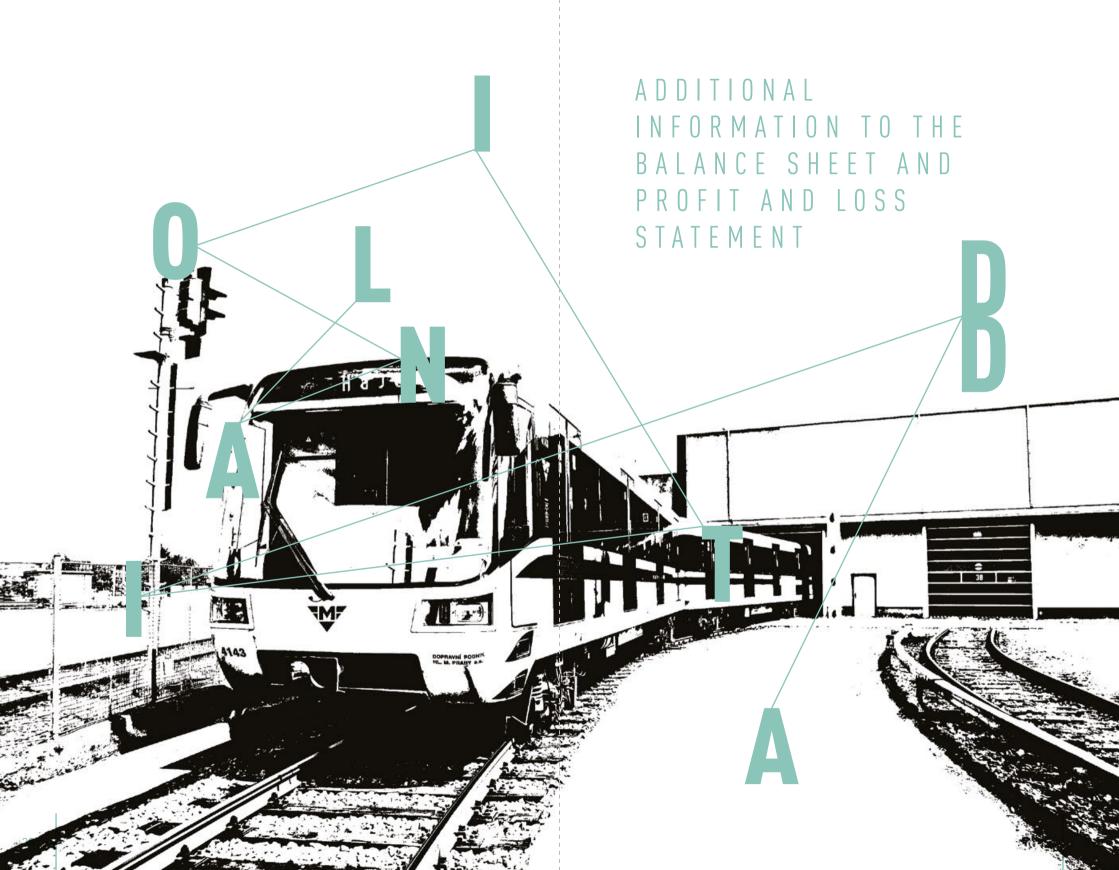
Cash flows from operational, investment and financial activities in the cash flow statement are reported as non-compensated.

3.22. Consolidated Financial Statements

Act No. 563/1991 Coll., on accounting, as amended by Act No. 221/2015 Coll. effective from 1 January 2016, newly introduces categorisation of consolidation groups in Section 1c. It implies from individual criteria that The Prague Public Transit 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 regard to individual criteria and the company, therefore, used provisions of Section 22a [3] of the above-mentioned Act.

The Prague Public Transit Company, a.s., has so far been using this provision of the Accounting Act because the consolidated companies are insignificant, both individually and as a whole, in regard to the total values and mission of DP and also a presentation distortion of economic indicators of DP would occur since these would also contain the values of the companies with absolutely different missions.



4. ADDITIONAL INFORMATION TO THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT

4.1. Company specifics

4.1.1. Structure of the statements

In connection with the amendment to Decree No. 500/2002 Coll., a change in the structure of arrangement and marking of the items of the Balance Sheet and Profit and Loss Statement occurred for entrepreneurial entities from 1 January 2018. The Balance Sheet and Profit and Loss Statement state items in the order as it is provided for in the Decree. Additionally, DP provides in these statements other sub-items for the reason of higher comprehensibility and documentary capability regarding the accounting unit. This is the following data:

Profit and Loss Statement

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

4.2. Fixed intangible assets

Acquisition price

(Figures in CZK thousand)

	State as of 31. 12. 2016	Increments	Decrements	State as of 31. 12. 2017	Increments	Decrements	State as of 31. 12. 2018
Software	985 908	36 881	5 178	1 017 611	43 849	172 384	889 076
Other royalties	10 082	496	3 000	7 578	0	0	7 578
Other FIA	119 658	4	0	119 662	3 725	0	123 387
Unfinished FIA	4 300	35 736	30 596	9 440	72 864	45 784	36 520
Total	1 119 948	73 117	38 774	1 154 291	120 438	218 168	1 056 561

Adjustments

(Figures in CZK thousand)

	State as of 31. 12. 2016	Increments	Decrements	State as of 31. 12. 2017	Increments	Decrements	State as of 31. 12. 2018
Software	906 232	54 657	5 090	955 799	48 081	172 331	831 549
Other royalties	10 082	44	3 000	7 126	50	0	7 176
Other FIA	104 202	346	0	104 548	746	0	105 294
Allowance to unfinished FIA	0	0	0	0	0	0	0
Total	1 020 516	55 047	8 090	1 067 473	48 877	172 331	944 019

Residual value

(Figures in CZK thousand)

	State as of 31. 12. 2017	State as of 31. 12. 2018
Software	61 812	57 527
Other royalties	452	402
Other FIA	15 114	18 093
Unfinished FIA	9 440	36 520
Total	86 818	112 542

The most significant FIA increments include the technical appreciation of the Transport Information System in 2018, purchase of SAP Hana RE licence and purchase of security technology SandBlast.

The most significant FIA decrements include decommissioning of MS Enterprise software including the multi-licence and decommissioning of MS Select software including the licence.

4.2.1. Fixed intangible assets created by own activities

No fixed intangible assets were created by the company's own activities in 2018.

4.2.2. Assets which are not included in the Balance Sheet

Intangible assets monitored in the off-balance records:

(Figures in CZK thousand)

Torontoron	Acquisition price			
Type of assets	2018	2017		
Low-value intangible assets	10 938	10 949		
Fixed assets purchased by using subsidies	123 799	124 341		
Total	134 737	135 290		

In case of the assets acquired from the subsidy, these include fixed assets the acquisition price of which was reduced by the provided subsidy according to point 3.15 and the value of which is not depreciated into the costs of the company.



4.3. Fixed tangible assets

Acquisition price of fixed tangible depreciated and non-depreciated assets.

(Figures in CZK thousand)

	State as at 31. 12. 2016	Increment	Decrement	State as at 31. 12. 2017	Increment	Decrement	State as of 31. 12. 2018
Land	3 375 114	65 370	3 827	3 436 657	4 143	21 038	3 419 762
Buildings	58 231 384	1 348 164	268 348	59 311 200	553 197	142 502	59 721 895
Tangible movable assets	54 785 335	2 586 147	310 713	57 060 769	3 671 183	517 600	60 214 352
- Plant and machinery	11 874 014	726 046	90 318	12 509 742	1 163 235	71 239	13 601 738
- Means of transport	42 900 995	1 859 035	220 177	44 539 853	2 507 797	446 249	46 601 401
- Inventory	10 326	1 066	218	11 174	151	112	11 213
Other FTA – easements	26 414	2 668	0	29 082	10 634	0	39 716
Other FTA	37 967	0	0	37 967	0	0	37 967
Unfinished FTA	1 584 975	4 231 630	4 577 907	1 238 698	5 086 082	5 024 475	1 300 305
Total	118 041 189	8 233 979	5 160 795	121 114 373	9 325 239	5 705 615	124 733 997

Adjustments and allowances to fixed tangible depreciated assets [Figures in CZK thousand]

	State as at 31. 12. 2016	Increment	Decrement	State as at 31. 12. 2017	Increment	Decrement	State as of 31. 12. 2018
Buildings	19 546 412	1 113 733	140 790	20 519 355	1 108 249	84 040	21 543 564
Tangible movable assets	27 056 764	2 097 938	368 757	28 785 945	2 135 359	515 686	30 405 618
- Plants and machinery	9 580 294	438 276	102 485	9 916 085	484 517	67 215	10 333 387
- Means of transport	17 420 255	1 615 070	219 672	18 815 653	1 650 582	443 361	20 022 874
- Inventory	9 833	284	218	9 899	260	112	10 047
Other FTA – easements	7 331	6 926	0	14 257	7 969	0	22 226
Allowance to means of tranposrt	46 382	0	2 074	44 308	0	4 998	39 310
Allowance to buildings	0	30 819	0	30 819	0	1 466	29 353
Total	46 610 507	3 218 597	509 547	49 319 557	3 251 577	599 726	51 971 408

Residual value of fixed tangible depreciated and non-depreciated assets

(Figures in CZK thousand)

	State as at 31. 12. 2017	State as at k 31. 12. 2018
Land	3 436 657	3 419 762
Buildings	38 791 845	38 178 331
Separate movable assets	28 274 824	29 808 734
- Plant and machinery	2 593 657	3 268 351
- Means of transport	25 679 892	26 539 217
- Inventory	1 275	1 166
Other FTA – easements	14 825	17 490
Other FTA	37 967	37 967
Unfinished FTA	1 238 698	1 300 305
Total	71 794 816	72 762 589

The most important increments are recorded for means of transport and for plant and machinery. The most important item for means of transport is especially capitalisation of 15T trams at CZK 1,607,344 thousand and capitalisation of buses at CZK 750,276 thousand.

An important item of plant and machinery is stationary part of LZA system metro line B at CZK 511,782 thousand and mobile part of LZA at CZK 75,734 thousand. Moreover, there was capitalisation of Upgrade SW and HD measuring vehicle Plasser EM 50 at CZK 125,723 thousand.

Another important FTA increment is continuation of the "Complex security system" project in the total acquisition price of CZK 401,677 thousand, which included especially acquisition of Uniform Information Platform (JIP) at acquisition price of CZK 143,457 thousand, realisation of reconstruction of PTV transmission in the total amount of CZK 75,272 thousand and acquisition of the EKV access system at acquisition price of CZK 52,389 thousand.

The most important decrements are recorded for means of transport and are caused by sale and physical disposal of buses at acquisition price of CZK 285,877 thousand (in residual price of CZK 0), sale and physical disposal of trams at acquisition price of CZK 93,635 thousand (in residual price of CZK 1,479 thousand).

As of 31 December 2018, the state of allowance to means of transport is at CZK 39,310 thousand and to buildings at CZK 29,353 thousand.

The balance of the unfinished FTA of CZK 1,300,305 thousand consists especially of investment events – construction of Section I of D line at CZK 223,292 thousand, purchase of the last ones of 250 15T trams at CZK 219,183 thousand, reconstruction of PS in the Karlovo náměstí metro station at CZK 115,984 thousand and reconstruction of tram track Vinohradská in the amount of CZK 89,559 thousand.

The balance of advance to FTA as of 31 December 2018 equals CZK 942,957 thousand. The most significant items include advances to purchase of buses at SOR Libchavy spol. s.r.o. at CZK 467,717 thousand, to implementation of complex security system in the metro at AŽD Praha s.r.o. at CZK 311,130 thuosand, to purchase of trams at Škoda Transportation, a.s. at CZK 79,347 thousand and to supply of train frames at Siemens Mobility s.r.o. at CZK 73,698 thousand.

The company rents:

- / Real estate, non-residential premises in the buildings of garages and depots, in metro depots, in metro stations, on tramway loops, on public transport stops, etc., and free land out of these buildings,
- / <u>Areas on both movable property and real estate</u> in particular for advertising activities, for the laying of optical cables in the metro stations, for operation of the telecommunication system in metro, for placement of antennas, telecommunication equipment, etc.,
- / Movable assets, e.g. freight lifts in the metro stations and equipment of the leased real estate.

4.3.1. Fixed assets encumbered with liens

As of 31 December 2018, the easement is established on 877 properties, in the form of a contract on establishment of the easement. In most of cases this means enabling the access for operation of the corresponding equipment in the metro premises, entrances into buildings, etc.

As of 31 December 2018, the company does not record any liabilities covered by the pledge agreement.

4.3.2. Fixed tangible assets created by own activities

The company's own activities were focused on renovations of tramways, parking yard in the area of Trams Repair, EOV modernisation, KT8N2 trams reconstructions and adjustments of trams interiors. For the method of valuation see point 3.1.

4.3.3. Assets leased by financial leasing

In 2018 DP does not register any assets leased by financial leasing.

4.3.4. Operational leasing

In 2018, the company reports operational leasing from the AUTOSTYL a. s. company with the price of annual rent of CZK 2,243 thousand and other lease of cars from the following companies:

- / EvoBus Česká republika s.r.o. in the amount of CZK 23 thousand,
- / SOR Libchavy spol. s r.o. in the amount of 178 thousand,
- / ČEZ ESCO, a.s. in the amount of 1 704 thousand,
- / ŠKODA ELECTRIC a.s. in the amount of 861 thousand,
- / SOLARIS CZECH, spol. s r.o. in the amount of 4 thousand.

Additionally, comprehensive transport services have been provided to DP on the basis of a contract on provision of services of the intra-company transport supplier (the KARIR CZ s.r.o. company) since August 2011. These services consist in provision of the leased vehicles in annual amount of CZK 35,562 thousand for the constant rental for 2018, provision of the transport services with a driver by means of vehicles of the transport service in the annual amount of

CZK 22,485 thousand for 2018 and provision of other services by means of 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:

(Figures in CZK thousand)

Time of access	Acquisition price			
Type of assets	2018	2017		
Low-value tangible assets	632 402	613 447		
Fixed assets acquired from subsidies	64 544 934	64 153 659		
Total	65 177 336	64 767 106		

In 2018, the property acquired from the subsidy was capitalised in the amount of CZK 449,691 thosuand. The most important events thereof were:

- / Complex security system in the metro CZK 200,000 thousand,
- / RTT Zenklova and RTT Sokolovská CZK 156,423 thousand,
- / Extension of metro line A CZK 20,000 thousand,
- / Land purchases Operational section of the metro D line CZK 23,760 thousand,
- / TT Divoká Šárka Dědinská CZK 15,619 thousand,
- / TT Barrandov Slivenec CZK 16.821 thousand.

At the same time the assets in the amount of CZK 58,958 thousand were eliminated from the off-balance records in 2018 due to liquidation before execution of the technical appreciation, physical disposal or purchase. This concerned especially power supply system, communication and security equipment, equipment of automatic regulation of speed (ARS) in the metro and bus vehicles.

4.3.6. Mutual settlemenf of assets with the Capital City of Prague (HMP)

The process of settlement of the fixed assets between DP and HMP (construction adjustments, infrastructural investments, land, etc.) continues in the manner that each of these subjects owns, maintains and renovates the assets that it actually uses (needs necessarily) for its activities or for its mission. As of 31 December 2018, DP records the following assets in its accounting system, which are potentially suitable for transfer and related exchange with HMP:

- a) In the account of assets acquisition 042 the costs for realisation of investment events IV.C2 Ládví and IV.C1 connecting bus transport in the total book value of CZK 3 million (total costs before subtracting the received investment subsidy amounted to cca. CZK 248 million)
- b) Land potentially intented for transfer to HMP in the book value of cca. **CZK 808 million**
- c) Other parts of the assets such as elements of public lighting, traffic signaling, communications, etc., which were, as induced investments, parts of investment events performed by DP. These tangible assets represent parts of the acquisition price of fixed assets that DP depreciates, while these assets are normally operated and maintained by other organisations of HMP designated for this purpose. The book value of these assets (investment costs) cannot be determined since it is a part of property sets.

In the course of 2019, negotiations will take place between DP and HMP aiming to determine which property of the property sets regarding a) - c) above that HMP will purchase. The mutually agreed items will be valued by an expert who will determine their sale (transfer) price.

4.4. Fixed financial assets

4.4.1. Participations in controlled and controlling entities

	20	18	2017		
Company name	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	

2018 (Figures in CZK thousand)

Company name	Acquisition price	Valuation difference	Nominal value	* Equity	* Accounting profit	Financial revenues	Share value
Pražská strojírna a.s.	185 614	16 551	157 594	202 165	36 863	0	202 165
Střední průmyslová škola dopravní, a.s.	11 322	17 016	21 930	28 338	502	0	28 338
Total	196 936	33 567	179 524	230 503	37 365	0	230 503

^{*} The figures represent the situation as of 23. 1. 2019.

2017 (Figures in CZK thousand)

Company name	Acquisition price	Valuation difference	Nominal value	* Equity	* Accounting profit	Financial revenues	Share 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 represent the situation as of 23. 1. 2018.

4.4.2. Participations in accounting units - essential influence

2018

(Figures in CZK thousand)

Company name	Acquisition price	Valuation difference	Nominal value	* Equity	* Accounting profit	Financial revenues	Share value
RENCAR PRAHA, a.s.	840	38 516	840	140 556	29 404	0	39 356
Total	840	38 516	840	140 556	29 404	0	39 356

^{*} The figures represent the situation as of 23. 1. 2019.

2017

(Figures in CZK thousand)

Company name	Acquisition price	Valuation difference	Nominal value	* Equity	* Accounting profit	Financial revenues	Share 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 represent the situation as of 23. 1. 2018.

The number of securities equals to 84 shares and the total share in the share capital was 28 %.

4.5. Inventory

(Figures in CZK thousand)

	State as of 31. 12. 2018	State as of 31. 12. 2017
Spare parts	250 414	264 251
Auxiliary material	134 659	119 395
Clothing and protective equipment	44 858	36 800
Fuel materials, fuels	22 469	23 594
Other materials	12 703	10 953
Material in stock – standby storage facility	90 497	129 847
Material in transit	665	293
Allowances	-8 783	-14 568
Material in total	547 482	570 565
Unfinished production and semi-finished products	14 229	8 151
Goods	1 487	1 363
Provided advances to services	1 068	0
Total value	564 266	580 079

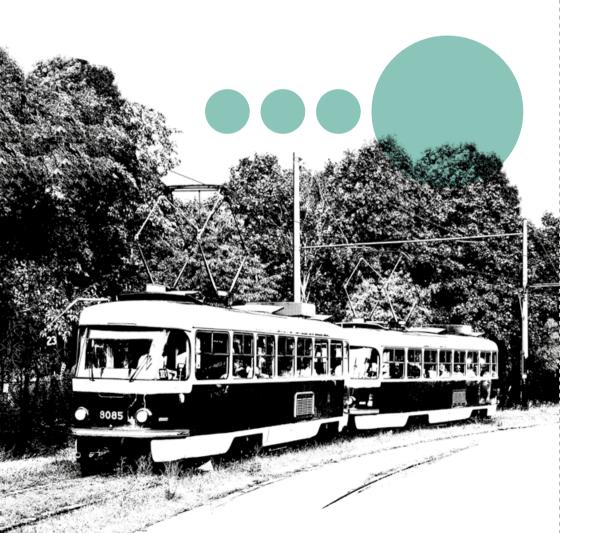
The total decrease in the financial volume of stock inventory of the company is a result of:

- / Decrease in the state of spare parts caused by great number of tram vehicles repairs.
- / Decrease in the state of stocks at standby storages, when the stocks, which were entered in the accounting records in 2017 due to optimisation of the process of the storage economy, were gradually consumed during 2018.

The OPP (allowance) decrease was due to actual state of inventory, when, after reviewing the state, length of storage and with respect to the expected unusability and minimum merchandasability, it was decided on the stock's disposal, sale or physical disposal. The amount of 8,783 thousand consists of OPP to clothing parts, spare parts and protective equipments.

The fuel inventory oscillates due to changes in the current purchase price

The increase in the item "Unfinished production and semi-finished products" was caused especially by the contract for MS 094 escalators renovation in progress.



4.6. Long-term receivables

The item "Long-term receivables" as of 31 December 2018 states a balance of CZK 312,847 thousand, while as of 31 December 2017 these receivables amounted to CZK 218,151 thousand.

The increase in the long-term receivables occurred due to a contract concluded in regard to the cooperation in covering Prague metro with mobile signal, whereby the time schedule is set up for gradual repayment of these receivables. The instalments in the amount of CZK 88,080 thousand will be paid by 2027 by mobile operators as follows:

- / Česká telekomunikační infrastruktura a. s. in the amount of 29,360 thousand,
- / T-Mobile Czech Republic a. s. in the amount of CZK 29,360 thousand,
- / Vodafone Czech Republic a. s. in the amount of 29,360 thousand.

An important part of the long-term receivables comprises in particular advances provided to the ŠKODA TRANSPORTATION a.s. company for unplanned repairs according to the contract on maintenance of the vehicles of Prague metro 81-71M through Full Service in the amount of CZK 128,079 thousand and the approved claim to subsidy for modernisation of ventilation equipment in the metro station in the amount of CZK 109,946 thousand.

4.7. Short-term receivables

4.7.1. Age structure of receivables from business relations

(Figures in CZK thousand)

	Defens		Ove	rdue		Total	Gross total
Year	Before maturity	0-180 days	181–365 days	1–5 years 5 years and more			without surcharges
2018	200 916	5 818	911	8 292	14 903	29 924	230 840
2017	231 772	9 169	1 628	7 829	26 521	45 147	276 919

(Figures in CZK thousand)

	OPP (Allowance)		Surcharges *	Allowance surcharges	Net total including surchares
2018	10 559	220 281	1 025 773	887 288	358 766
2017	20 962	255 957	929 564	817 587	367 934

* The item "Surcharges" includes receivables from surcharges to the fare, receivables from fare and receivables from surcharges to the fare and receivables from postage for recovery of surcharges to the fare. These are especially overdue receivables

The most important receivables include the receivables from the GLOBDATA, a.s. company in an amount of CZK 70,474 thousand due to assignment of receivables for SMS tickets, and also receivables from the Pražská strojírna, a.s. company for revenues from the sale of rails in the amount of CZK 14,593 thousand.

As of 31 December 2018, there was a significant decrease in allowances to receivables from business relations due to a change in the balance at the partner of the company, Pražská strojírna, a.s., whereby the obligations to this company exceeded as of 31 December 2018 its receivables and thereby the correction of these receivables was not carried out.

4.7.2. Receivables from the companies within the group

Short-term receivables from business relations and short-term advances provided

(Figures in CZK thousand)

Company name	State as of 31. 12. 2018	State as of 31. 12. 2017
НМР	1 767	3 760
KORMAK Praha a.s.	0	284
Operátor ICT, a.s.	14 606	5
Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	4 409	4 422
Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	3	91
Pražská strojírna a.s.	14 593	29 230
Pražská vodohospodářská společnost a.s.	66	728
Pražské vodovody a kanalizace, a.s.	14 530	14 420
PREdistribuce, a.s.	44	23 703
RENCAR PRAHA, a.s.	233	227
Střední průmyslová škola dopravní, a.s.	392	277
Technická správa komunikací hl. m. Prahy, a.s.	2 510	1 210
Výstaviště Praha, a.s.	54	0
Total receivables from business relations and advances provided to companies within the group	53 207	78 357
Total short-term receivables from business relations and advances	1 282 938	1 258 409

4.7.3. Other short-term receivables

The item "State – tax receivables" reports, as of 31 December 2018, the balance of CZK 280,670 thousand and it is formed of a receivable due to excessive deduction of the value added tax for the months of November and December 2018 in the amount of CZK 165,763 thousand and accounted VAT on the input at received invoices obtained in January 2019, concerning performance of 2018 in the amount of CZK 114,907 thousand. As of 31 December 2017, the entry had the balance of CZK 325,666 thousand.

The short-term advances provided recorded a decrease compared to 2018 especially due to the clearing of advances for energy, reduction of prepayments within PID and also other advances.

As of 31 December 2018, gross accounts of estimated assets report a balance in an amount of CZK 217,116 thousand, while as of 31 December 2017 the balance was CZK 268,037 thousand. The decrease in the balance as of 31 December 2018 is caused in particular by the estimated entry for insurance bonus in an amount of CZK 6,444 thousand. The estimated assets do not report the entitlement for insurance claim due to accidents and damages in the total amount of CZK 98,907 thousand, and, reciprocally, the provision for repairs of these assets is not accounted. Thereby the principle of material and time context of costs and revenues and also these balance sheet items are not increased. The items in questions will be accounted in the moment of their realisation.

As of 31 December 2018, the item "other receivables" reports the net balance of CZK 340,103 thousand, while as of 31 December 2017 the balance was CZK 615,655 thousand. This item consists of the accounting of receivables from the approved entitlement to the subsidy in the total amount of CZK 262,238 thousand, divided into the following events:

- / lighting Dejvická CZK 16,921 thousand, / stairs Karlovo náměstí CZK 83,608 thousand, / stairs Náměstí Republiky CZK 7,292 thousand,
- / ventilation Háje CZK 56,416 thousand,
- / modernisation of main ventilation in the ventilation shafts of lines A,B,C C7K 53.701 thousand.
- / modernisation of main ventilation in the ventilation shafts of lines A,B,C phase II CZK 44,300 thousand.

The item "other receivables" includes other receivables consisting of legal actions against the companies RENCAR PRAHA, a.s. and Euro AWK s.r.o. due to unjust enrichment for utilisation of the property of DP for advertisement purposes without legal title in the total amount of CZK 170,527 thousand. Allowances were created to these receivables in the amount of 100% of the balance sheet value of the receivables.

4.7.4. Lien

As of 31 December 2018, the company does not have any liabilities covered by a pledge agreement or by another method.

4.7.5. Compensations and subsidies

For 2018, the company reported the economic result before taxation – profit amounting to CZK 2,034,524 thousand. 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 revenues.

In regard to the evaluation of financial and asset situation of the company it is necessary to emphasise that the company is a receiver of the compensation for public service obligation and of significant volume of investment subsidies from various providers.

In 2018, the company received advances for compensation amounting to CZK 14,343,642 thousand and the balance of the advances for compensation from 2017 was transferred in the amount of CZK 11,717 thousand. The actual amount of the operational part of the compensation, i.e. the amount of CZK 12, 570,587 thousand and the appropriate profit in the amount of CZK 1,737,817 thousand were accounted into revenues. The balance of advances as of 31 December 2018 was CZK 48,901 thousand.

In accordance with the applicable legislation and contractual arrangements the final amount of the compensation was approved by the company Ropid on behalf of HMP.

In 2018, the company accounted subsidies for the payment of costs of acquisition of fixed assets in the amount of C7K 920.743 thousand. In 2017 it was C7K 163.879 thousand.

Subsidies by purpose

(Figures in CZK thousand)

Subsidies in total		920 743
Subsidies for settlement of costs		69 665
Subsidies from the budget of the Capital City of Prague		480
Standard espenses of the event – Barrier-free access to the Palmovka metro station	5	
Standard espenses of the event – Modernisation of escalators Palmovka	5	
Standard espenses of the event – Modernisation of lighting Jinonice	222	
Standard espenses of the event – Modernisation of escalators Nám.Republiky	5	
Standard espenses of the event – Modernisation of escalators Skalka	5	
Standard espenses of the event – Modernisation of escalators Anděl	5	
Modernisation of escalators – Modernisation of lighting Skalka	228	
Standard espenses of the event – Modernisation of escalators Palmovka, east	5	
Subsidies from the EU		685
Standard espenses of the event – Barrier-free access to the Palmovka metro station	8	
Standard espenses of the event – Modernisation of escalators Palmovka	7	
Standard espenses of the event – Modernisation of lighting Jinonice	317	
Standard espenses of the event – Modernisation of escalators Nám. Republiky	7	
Standard espenses of the event – Modernisation of escalators Skalka	7	
Standard espenses of the event – Modernisation of escalators Anděl	7	
Standard espenses of the event – Modernisation of lighting Skalka	325	
Standard espenses of the event – Modernisation of escalators Palmovka, east	7	
Subsidies from the Ministry of Transportation		4 550
Subsidy to the price for ensuring the compensation of the loss from the fare	4 550	
Subsidies within PID		63 950
Subsidy for zone 0 - PID	43 404	
Subsidies from municipalities for zones 1, 2, PID	12 321	
Subsidies from SK-KÚ – zones 1, 2	8 225	
Subsidy for acquisition of fixed assets		851 078
Subsidy from the budget of the Capital City of Prague		504 759
42176 - Barrier-free measures	28 297	
42487 - TT Sídliště Barrandov – Holyně – Slivenec	17 129	
42493 - TT Divoká Šárka – Dědinská	17 559	
42496 - Complex security system of the metro	141 150	
43917 - RTT Sokolovská – Kolbenova [Polik. Vysoč. – N. Hloub.]	44 443	
43919 - RTT Zenklova 4 (Elsnicovo nám. – U Kříže)	111 980	
44118 - Change of paving of the tram track area	3 000	
42495 - Barrier-free access of the Karlovo náměstí metro station	964	
42923 - I. operating section of the metro D line	140 237	

Subsidies from OP	PPR		346 319
in which:	- share of the EU	203 717	
	- share from the budget of HMP	142 602	
of which:			
Barrier-free access	to the Palmovka metro station, west – total	20 130	
of which:	share of the EU	11 841	
	share from the budget of HMP	8 289	
Modernisation of es	scalators Palmovka – total	16 046	
of which:	share of the EU	9 439	
	share from the budget of HMP	6 607	
Modernisation of li	ghting Jinonice – total	19 956	
of which:	share of the EU	11 739	
	share from the budget of HMP	8 217	
Modernisation of es	scalators Nám. Republiky – total	77 576	
of which:	share of the EU	45 633	
	share from the budget of HMP	31 943	
Modernisation of es	scalators Skalka – total	16 018	
of which:	share of the EU	9 422	
	share from the budget of HMP	6 596	
Modernisation of es	scalators Anděl – total	84 307	
of which:	share of the EU	49 592	
	share from the budget of HMP	34 715	
Modernisation of es	scalators Skalka – total	33 821	
of which:	share of the EU	19 895	
	share from the budget of HMP	13 926	
Modernisation of es	scalators Palmovka, east – total	21 869	
of which:	share of the EU	12 864	
	share from the budget of HMP	9 005	
Modernisation of lig	ghting Dejvická – total	22 330	
of which:	share of the EU	13 135	
	share from the budget of HMP	9 195	
Modernisation of ve	entilation on the metro lines A, B, C, route I. C - total	16 772	
of which:	share of the EU	9 866	
	share from the budget of HMP	6 906	
Modernisation of ve	entilation on the metro lines A,B,C, route I. C – II.phase – total	17 494	
of which:	share of the EU	10 291	
	share from the budget of HMP	7 203	

4.7.6. Short-term financial assets

The item "short-term securities and participations" (other short-term financial assets) includes, as of the Balance Sheet day, no short-term financial assets.

4.7.7. Accruals and deferrals (active)

As of 31 December 2018, the item "Accrued costs" reports the balance of CZK 176,657 thousand, while as of 31 December 2017 its balance amounted to CZK 122,041 thousand. The balance of this item consists especially of:

/ Releasing the invoiced part of the price for SW from the SoftwareONE Czech Republic s.r.o. company in the amount of CZK 86,595 thousand for the period of three years, the outstanding amount to be released being CZK 72,162 thousand,

/ Releasing the invoiced first part of the total contractual price for services (the ŠKODA TRANSPORTATION a.s. company) in the amount of CZK 125,000 thousand. Based on the Agreement on Maintenance by Way of Full Service, this amount is for the term of validity of the Agreement, i.e. until 15 December 2020, subject to accruals and deferrals into costs. As of

31 December 2018, the outstanding amount to be released is CZK 22,208 thousand.

/ Releasing the invoiced first part of the total contractual price for services (the company Siemens, s.r.o.) in the amount of CZK 155,000 thousand. Based on the Agreement on Maintenance by Way of Full Service, this amount is, for the term of validity of the Agreement, i.e. until 31 December 2019, subject to accruals and deferrals into costs. As of 31 December 2018, the outstanding amount to be released is CZK 14,091 thousand.

/ accruals of costs related to the bill of exchange programme (interests and arrangers' bonuses) in the total amount of CZK 34,683 thousand.

4.8. Equity

Information on changes in equity

The equity of the company contains the accounts of account groups 41, 42, including the economic result of the current accounting period.

(Figures in CZK thousand)

		Other capital funds	Valuation differences from re- valuation of assets and liabilities	Changes in equity	Other comprehensive income	Retained earnings from previous years	Unpaid loss of previous years	Profit and loss of the current period	
Initial balance as of 1. 1. 2017	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
Change in equity – non-monetary deposit				513 370					513 370
Subsidies for equity increase	0	0	0				0	0	0
Valuation 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
Revaluation 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
Payment of loss from the reserve fund	0	0	0				0	0	0
Change of method – standby storage					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
Ending balance as of 31. 12. 2017	30 726 125	30 930 771	55 318	513 370	84 700	1 569 238	0	1 900 898	65 780 420
Changes with influence on total equity	0	0	0				0	0	0
Economic result of the current year	0	0	0				0	1 529 146	1 529 146
Change in equity – non-monetary deposit	513 370			-513 370					0
Subsidies for equity increase	0	0	0				0	0	0
Valuation of land and buildings	0	3 296	0				0	0	3 296
Nat. val. of dif. from re-pricing of sec., etc.	0	0	29 379				0	0	29 379
Revaluation of derivatives	0	0	25 648				0	0	25 648
Deferred tax to derivatives	0	0	-4 873				0	0	-4 873
Changes without influence on total equity	0	0	0				0	0	0
Allotment to the reserve fund	0	0	0				0	0	0
Payment of loss from the reserve fund	0	0	0				0	0	0
Change of method – standby storage					-84 700				-84 700
Distribution of the economic result	0	0	0			1 985 598	0	-1 900 898	84 700
Correction within the equity	0	0	0				0	0	0
Ending balance as of 31, 12, 2018	31 239 495	30 934 067	105 472	0	0	3 554 836	0	1 529 146	67 363 016

On 5 January 2018, the equity of DP was increased, by incorporation into the Commercial Register, in a form of non-montetary deposit by the amount of CZK 513,370 thousand to the total amount of CZK 31,239,495 thousand.

4.9. Provisions

(Figures in CZK thousand)

	Balance as at 1. 1. 2017	Creation	Drawing and cancellation of provisions	Balance as of 31. 12. 2017	Creation	Drawing and cancellation of provisions	Balance as at 31. 12. 2018
Provision for annuities	4 161	256	1 226	3 191	322	1 153	2 360
Provision for anniversaries, retirement, sick days	85 277	26 014	23 886	87 405	43 964	45 158	86 211
Provision for repairs of fixed assets	126 820	0	32 120	94 700	0	0	94 700
Provisions On litigations	189 781	72 891	11 835	250 837	13 151	95 001	168 987
Provision for remunerations	6 983	47 527	43 163	11 347	11 217	11 347	11 217
Provision for 14T trams repairs	3 253	0	0	3 253	0	75	3 178
Other provisions	130 000	0	69 227	60 773	6 105	0	66 878
Total provisions	546 275	146 688	181 457	511 506	74 759	152 734	433 531

As of 31 December 2018, the company reports 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.

4.10. Bank credit facilities

In 2018 the company did not have any bank credit facility.

4.11. Long-term liabilities from business relations and long-term advances

The entry "Long-term liabilities from business relations" reports, as of 31 December 2018, the balance of CZK 594,449 thousand, as of 31 December 2017 it reported the balance of CZK 556,165 thousand.

The increased is due to deferred payment for acquisition of the licence to Microsoft products from the company SoftwareONE Czech Republic s. r. o. in the amount of CZK 36,092 thousand.

Long-term advances accepted reached, as of the Balance Sheet day (31 December 2018), the amount of CZK 31,210 thousand (as of 31 December 2017 this amount was CZK 23,217 thousand). These are especially the advance deposits accepted.

The company does not have any long-term liabilities from business relations towards the companies within the group.

4.12. Deferred tax

Deferred tax liability can be analysed as follows:

Deferred tax due to

(Figures in CZK thousand)

	State as of 31. 12. 2018	State as of 31. 12. 2017
Fixed assets	5 254 510	4 776 071
Unpaid contractual fines and penalties	193 401	174 506
Allowances to fixed assets	-13 046	-14 274
Allowances to inventory	-1 669	-2 768
Allowances to receivables	-33 385	-24 032
Provisions	-82 371	-97 186
Unpaid social security and health insurance	-1 374	-1 628
Derivatives	7 832	2 959
Total deferred tax liability	5 323 898	4 813 648

The increase in the deferred tax liability is caused in particular by the difference due to accounting and tax residual prices of depreciated fixed assets.

Another increase in the deferred tax liability due to derivative transactions in 2018 is caused by the change in fair value of hedging derivatives linked to PRIBOR, as a result of direct increase of the interest rates by the CNB during 2018.

From the perspective of prudence, the deferred tax calculation in 2018 does not include the remaining amount of the non-exercised tax loss, which can be used in the following tax periods, because it is not possible to assume its utilisation.

4.13. Short-term liabilities

4.13.1. Age structure of liabilities from business relations

(Figures in CZK thousand)

		Before due	Overdue					
Year	Category	date	0-180 days	181–365 days	1-5 years	5 years and more	Total overdue	
2018	Short-term	1 730 961	8 152	0	0	0	8 152	1 739 113
2017	Short-term	1 207 837	51 081	0	0	0	51 081	1 258 918

The company does not have any long-term liabilities from business relations towards the companies within the group.

4.13.2. Short-term bills of exchange for payment

The most significant item 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 of 31 December 2016, the entire volume was drawn, i.e. CZK 8,000 million, provided that in 2015 altogether CZK 800 million was repaid, in 2016 the second instalment was made, also in the amount of CZK 800 million, in 2017 the third instalment was made in the amount of CZK 800 million and in 2018 the fourth instalment was again in the amount of CZK 800 million. The current volume of the bills of exchange as of 31 December 2018 equals CZK 4,800 million. The bills of exchange in the total value of CZK 4,800 million are due on 19 March 2019 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 funding of purchase of 15 T For City trams.

4.13.3. Liabilities towards the companies within the group

Short-term liabilities from business relations and short-term advances accepted

(Figures in CZK thousand)

Company name	State as of 31. 12. 2018	State as of 31. 12. 2017
НМР	910	73
Operátor ICT, a.s.	125	17
Pražská energetika, a.s.	23 375	18 625
Pražská plynárenská, a.s.	9	138
Pražská strojírna a.s.	16 792	16 347
Pražské vodovody a kanalizace, a.s.	15 413	13 896
Pražské služby, a.s.	71	740
PREdistribuce, a.s.	22 127	19 896
PREměření, a.s.	14	25
PREzákaznická, a.s.	29	0
RENCAR PRAHA, a.s.	36 301	36 301
Střední průmyslová škola dopravní, a.s.	2 972	2 891
Technická správa komunikací hl. m. Prahy, a.s.	3	1
Výstaviště Praha, a.s.	73	0
Total liabilities from business relations and advances towards companies within the group	118 214	108 950
Short-term liabilities from business relations and advance payments in total	1 827 023	1 555 806

4.14. Liabilities from social security, public health insurance and life insurance, pension insurance schemes and complementary pension insurance programmes, tax liabilities and subsidies

4.14.1. Liabilities from social security, public health insurance and life insurance, pension insurance schemes and complementary pension insurance programmes

The amount of liabilities from social security and contribution to the state employment policy as of 31 December 2018 amounted to CZK 153,189 thousand (as of 31 December 2017 it was CZK 136,737 thousand).

The amount of liabilities from public health insurance as of 31 December 2018 amounted to CZK 65,945 thousand (as of 31 December 2017 it was CZK 59,089 thousand).

The amount of liabilities from pension scheme for employees as of 31 December 2018 amounted to CZK 7,235 thousand (as of 31 December 2017 it was CZK 7,549 thousand).

The amount of liabilities from life insurance scheme for employees as of 31 December 2018 amounted to CZK 118 thousand (as of 31 December 2017 it was CZK 122 thousand).

The amount of liabilities from complementary pension insurance programmes for employees as of 31 December 2018 was CZK 2,105 thousand (as of 31 December 2017 it was CZK 1,773 thousand).

All liabilities are before due dates.

4.14.2. Tax liabilities at locally competent financial authorities (Figures in CZK thousand)

	As of 31. 12. 2018	As of 31. 12. 2017
Individual (natural person) income tax	71 365	60 863
Road tax	103	140
Electricity tax	64	66
Real estate acquisition tax	0	2 205
Total	71 532	63 274

All liabilities are before the due dates.

4.14.3. Subsidies

The balance of the item "subsidies" as of 31 December 2018 amounts to CZK 618,810 thousand and comprises:

/ Financial settlement of subsidies for 2018 with HMP in the amount of CZK 287,697 thousand,

/ Approved claim of subsidy from the EU in the total amount of CZK 114,026 thousand and from HMP in the total amount of CZK 79,819 thousand, intended in particular for modernisation of escalators, lighting and ventilation equipment in the metro stations,

/ HMP subsidy for the acquisition of fixed assets to cover the expenses of the investment event "Metro A line (Dejvická – Motol)" in the amount of CZK 135,112 thousand,

/ Liability from subsidies for settlement of costs of PID operation in the amount of CZK 2,156 thousand.

4.15. Estimated liabilities

The item "Estimated liabilities" reports as of the Balance Sheet day of 31 December 2018 the balance of CZK 105,955 thousand, while as of 31 December 2017 its balance was CZK 79,091 thousand.

The estimated liabilities include especially uninvoiced supplies of services in the amount of CZK 57,090 thousand, uninvoiced supplies of investment work in the amount of CZK 20,338 thousand and other estimated liability items in the amount of CZK 28,517 thousand.

4.16. Other short-term liabilities

The item "other liabilities" reports as of 31 December 2018 the balance of CZK 11,310 thousand; as of 31 December 2017 the balance was CZK 19,806 thousand.

Derivative financial instruments

The company concluded in the past year the hedging interest rate swaps for hedging of interest rate risk of the bill of exchange programme with ČS and ČSOB, due to gradual drawing of the programme.

Hedge accounting was applied to the individual transactions and it was 100% effective. Within the simplification of the records, consolidation was agreed with ČS and ČSOB of individual separate transactions into a new transaction by merging the original derivative transactions under equal total conditions.

ČS derivative

/ Counterparty: Česká spořitelna, a.s.

/ Date of deal conclusion: 23 November 2016

/ Nominal value: CZK 3,001, 980 thousand (nominal value being reduced gradually)

/ Interest rate paid: 1,346%, quarterly

/ Interest rate received: 3M Pribor quarterly

/ Maturity date: 19 December 2024

ČSOB derivative

/ Counterparty: ČSOB, a.s.

/ Date of deal conclusion: 23 November 2016

/ Nominal value: CZK 1,438,020 thousand (nominal value being reduced gradually)

/ Interest rate paid: 1,727%, quarterly

/ Interest rate received: 3M Pribor quarterly

/ Maturity date: 19 December 2024

For both derivatives, the hedged items are the interest payments from the bills of exchange issued within the bill of exchange programme concluded with ČS and ČSOB on 28 June 2013 up to the maximum limit for the relevant period with maturity on 19 December 2024 linked to Pribor.

The company thereby classified these transactions as the hedging of the future cash flows, whereby the hedging interest derivatives are valued, as of the balance sheet day, at fair value and the fair value is accounted on the account of valuation differences in the equity of the company.

Overview of financial derivatives transactions:

(Figures in CZK thousand)

	Fair value (liability) as of 31. 12. 2018	Fair value (liability) as of 31. 12. 2017
Swaps to the bill of exchange programme II ČS	-43 336	-25 778
Swaps to the bill of exchange programme II ČSOB	1 300	11 430
Total	-42 036	-14 348

^{*} Given the opposite position as of 31 December 2018 reported under the item "Other short-term receivables"

The significant decrease as of 31 December 2018 is caused especially by the change in fair value of the hedging derivatives linked to PRIBOR, due to direct increase of the interest rates by the CNB during 2018.

Revenues and costs of derivative transactions

Revenues

(Figures in CZK thousand)

	2018	2017
Revenues from derivative transactions – other	2 533	0
Total	2 533	0

Costs

(Figures in CZK thousand)

	2018	2017
Costs from derivative transactions – commodities	0	0
Costs from derivative transactions – other	23 565	67 147
Total	23 565	67 147

The significant decrease of the costs of derivative transactions was caused especially by the change in the position of the hedging derivatives with a direct link to their fair value.

4.17. Accrued liabilities

As of 31 December 2018, the item reports the balance of CZK 875,898 thousand, while as of 31 December 2017 the balance was CZK 724.425 thousand.

The balance is formed especially of the account of deferred revenues (CZK 859,411 thousand), with the greatest item being accruals and deferrals of sales of fixed-period tickets in the amount of CZK 714,834 thousand and accruals and deferrals of revenues from provided easements and rights of servitude in the amount of CZK 135,067 thousand. Another significant item is accrued expenses (CZK 16,487 thousand), with the greatest share having accruals and deferrals of the compulsory and accident insurance in the amount of CZK 8,375 thousand.

4.18. Revenues from current activities by main activities

Revenues from current activities by main activities

(Figures in CZK thousand)

	2018	2017
Revenues from sales of own products and services in total	19 368 813	18 594 271
in which:		
Revenues from fare of regular transport	4 404 463	4 365 273
Compensation from the public service obligation	14 308 404	13 535 144
Other revenues	655 946	693 854
in which:		
Lease	314 705	298 979
Revenues from surcharges to fare	242 060	291 663

The most important item of Revenues from the sale of own products and services is compensation for the public service obligation amounting to CZK 14,308,404 thousand.

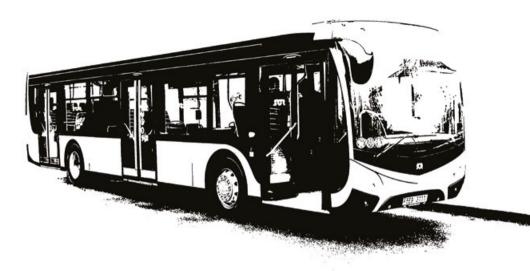
Another important item is formed of revenues from regular transport fare. In comparison to 2017, there was an increase in revenues from regular transport fare (without surcharges to the fare) in 2018 by CZK 39,190 thousand, i.e. by 0.90%.

Revenues for other services include revenues for other activities, in particular for the lease of land, buildings and services associated therewith, for cession of energy, for the lease of areas on movable assets, for repairs and maintenance of the means of transport, revenues from irregular transport, revenues from medical procedures, revenues from construction activities, etc.

4.18.1. Other revenues realised with related entities

2018 [Figures in CZK thousand]

Entity	Relation to the company	Inventory	Services	Deferred revenues	Other	
НМР	parent company	0	7 593	5 006	23	12 622
KORMAK Praha a.s.	other company	0	20	0	0	20
Operátor ICT, a.s.	affiliated company	0	6 357	149 541	134	156 032
Pražská energetika, a.s.	other company	0	647	306	0	953
Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	101	0	19	120
Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	308	0	0	308
Pražská strojírna a.s.	subsidiary	19 027	993	0	0	20 020
Pražská vodohospodářská společnost a.s.	affiliated company	0	534	0	0	534
Pražské vodovody a kanalizace, a.s	other company	0	655	0	25	680
Pražské služby, a.s.	affiliated company	0	5 010	0	5	5 015
PREdistribuce, a.s.	other company	0	2 208	349	291	2 848
PREměření, a.s.	other company	0	280	206	0	486
PREzákaznická, a.s.	other company	0	196	157	0	353
RENCAR PRAHA, a.s.	dceřiná společnost	0	49 176	0	39	49 215
Střední průmyslová škola dopravní, a.s.	subsidiary	0	4 779	0	0	4 779
Technická správa komunikací hl. m. Praha, a.s.	affiliated company	0	5 453	0	0	5 453
Výstaviště Praha, a.s.	affiliated company	0	106	0	0	106
Total		19 027	84 416	155 565	536	259 544



2017 (Figures in CZK thousand)

Entity	Relation to the company	Inventory	Services	Deferred revenues	Other	Total
HMP	parent company	0	12 926	n	4 992	17 918
KORMAK Praha a.s.	other company	0	497	0	n	497
Operátor ICT, a.s.	affiliated company	0	1 116	0	0	1 116
Pražská energetika, a.s.	other company	0	1 268	8	0	1 276
Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	2 156	0	1	2 157
Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	878	0	0	878
Pražská strojírna a.s.	subsidiary	24 432	730	0	0	25 162
Pražská teplárenská a.s.	other 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.	other company	0	2 001	19	286	2 306
PREměření, a.s.	other company	0	433	0	0	433
RENCAR PRAHA, a.s.	dceřiná společnost	20	49 016	0	49	49 085
RPC, a.s.	other 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.	other company	0	1 407	0	0	1 407
Total		24 452	90 119	27	5 409	120 007

4.18.2. Purchases and sales of fixed intangible, tangible and financial assets with affiliated entities

Sales

2018

(Figures in CZK thousand)

Fueller	Dalatian to the common	FTA		
Entity	Relation to the company		Sales price	
НМР	parent company	17 166	58 338	
PREdistribuce, a.s.	other company	30	297	
Total		17 196	58 635	

2017

(Figures in CZK thousand)

Finalian	Deletien to the common	FTA		
Entity	Relation to the company		Sales price	
НМР	parent company	10	9	
RPC, a.s	other company	2 151	8 544	
Total		2 161	8 553	

Purchases

2018

(Figures in CZK thousand)

Entity	Relation to the company	FTA	FIA
НМР	parent company	8	0
Pražská plynárenská Distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	13	0
PREdistribuce, a.s.	other company	930	0
Total		951	0

2017

(Figures in CZK thousand)

Entity	Relation to the company	FTA	FIA
НМР	parent company	5	0
PREdistribuce, a.s.	other company	12	0
RPC, a.s.	other company	686	0
Total		703	0

4.19. Consumed purchases

(Figures in CZK thousand)

	2018	2017
Energy, gas, heat	973 153	910 790
Material	1 037 662	1 043 483
Diesel oil, oils, lubricants, coolant, petrol	754 586	689 765
Clothing and protective equipment	51 440	47 483
Low-value tangible assets	40 263	35 493
Other	25 511	17 079
Total	2 882 615	2 744 093

4.19.1. Purchases realised with related entities

2018

(Figures in CZK thousand)

Entity	Relation to the company	Inventory	Services	Accrued expenses 2017	Other	Total
НМР	parent company	507	1 708	0	17	2 232
Kolektory Praha, a.s.	affiliated company	0	466	0	0	466
Operátor ICT, a.s.	affiliated company	0	415	0	0	415
Pražská energetika, a.s.	other company	380 745	0	0	138	380 883
Pražská plynárenská, a.s.	other company	5 202	0	640	0	5 842
Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	8	0	0	8
Pražská strojírna a.s.	subsidiary	142 110	61 614	0	517	204 241
Pražské vodovody a kanalizace, a.s.	other company	20 078	70 114	4 606	4 062	98 860
Pražské služby, a.s.	affiliated company	205	0	0	0	205
PREdistribuce, a.s.	other company	415 846	592	0	0	416 438
Střední průmyslová škola dopravní, a.s.	subsidiary	0	29 736	0	0	29 736
Výstaviště Praha, a.s.	affiliated company	0	92	54	0	146
Total		964 693	164 745	5 300	4 734	1 139 472

2017

(Figures in CZK thousand)

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.	other company	336 833	0	31 255	21	368 109
Pražská plynárenská, a.s.	other company	12 284	0	887	0	13 171
Pražská plynárenská Servis distribuce, a.s., member of the Pražská plynárenská, a.s. Group	other company	0	31	0	0	31
Pražská strojírna a.s.	subsidiary	111 686	55 401	0	0	167 087
Pražská teplárenská a.s.	other company	16 050	11	0	0	16 061
Pražské služby, a.s.	affiliated company	385	5 837	0	0	6 222
PREdistribuce, a.s.	other company	398 807	577	35 073	0	434 457
PREměření, a.s.	other 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

4.20. Services

(Figures in CZK thousand)

	2018	2017
Repairs and maintenance	1 939 756	1 810 720
Services associated with transport performance	654 746	624 275
Services of assistance nature	280 555	283 744
Data system services	113 695	119 638
Other services connected with city public transport	470 604	440 322
Advisory and legal services	79 789	58 173
Services associated with advertising	21 336	22 295
Other services	451 897	451 764
Total	4 012 378	3 810 931

4.20.1. Total costs of remunerations for the audit company

(Figures in CZK thousand)

	2018	2017
Obligatory audit of the Financial Statements	777	777
Other non-auditing services	2 340	1 879
Total	3 117	2 656

No estimated items are created for audit services; they are accounted in the period when the service is performed.

4.21. Depreciation of fixed intangible and tangible assets

Comparison of depreciations by asset class

(Figures in CZK thousand)

1310	Software	2018 47 984	2017
1310	Software		E / E20
1011	DO - (1 071/ /0 /011 1	47 784	54 538
1311	PC software CZK 40–60 thousand		119
1400	Royalties	50	44
1900	Other fixed intangible assets	746	346
2110	Tracks	350 011	333 074
2111	Power supply system	142 287	139 159
2112	Metro tunnels	340 867	335 368
2113	Technical equipment of the metro system	16 465	16 465
2114	Station columns, waiting rooms, shelters	2 939	2 667
2115	Building structures for operational purposes	41 669	43 129
2116	Buildings and halls for operational purposes	141 239	140 393
2117	Constructions for operational purposes	35 420	35 620
2118	Communication and security equipment	36 516	36 274
2119	Technical betterment of the assets leased	96	96
2210	Check-in system "MYPOL"	2 108	5 050
2211	Means of IT – computers	70 875	75 149
2212	Communication and security equipment – machinery	233 799	174 898
2213	Technical equipment of the metro system	23 519	24 022
2214	Plant and machinery for operational purposes	83 415	77 945
2215	Power supply system – machinery	57 526	63 295
2216	Cableway	52	104
2221	Metro carriages	634 155	673 057
2223	Midi buses – N	20 884	20 819
2224	Standard buses	362	386
2226	Standard low-floor buses	92 032	77 919
2227	Articulated low-floor buses	206 158	179 464
2228	Escalators, metro lifts	40 498	36 151
2230	Automobiles, other	23 706	20 708
2231	Means of transport – other	10 254	6 055
2232	Trams - T3	260	199
2233	Trams - T3RP	21 593	25 209
2234	Trams - T6	12 445	32 497
2235	Trams - KT8	37 776	37 776
2236	Trams - 14T	2 495	2 298
2237	Trams - 15T	559 674	499 898
2240	Inventory	192	284
2900	Other fixed tangible assets – easements	7 968	6 926
	Residual price of the fixed assets being disposed of	13 660	197
Total		3 311 792	3 177 598

Depreciation of fixed assets acquired in a form of subsidy would amount to CZK 1,923,060 thousand in 2018 (CZK 1,987,815 thousand in 2017).

4.22. Change in the state of provisions and adjustment of values in the operational area, except for depreciation

(Figures in CZK thousand)

	2018	2017
Change in the state – other provisions	-77 975	-34 769
Change in the state – accounting allowances adjustments– to receivables	110 491	157 400
Change in the state – tax allowances adjustments – to receivables	-2 918	338
Change in the state – allowances to inventory	-5 785	6 725
Change in the state – allowances to assets	-6 464	28 745
Total change in the state	17 349	158 439

4.23. Sold fixed assets and revenues from sale of fixed assets

As of 31 December 2018, the item "Residual price of the sold fixed assets" amounts to CZK 39,473 thousand (CZK 11,646 thousand in 2017), the item "Revenues from sale of fixed assets" amounts to CZK 86,595 thousand (CZK 27,105 thousand in 2017).

The item "Revenues from sale of fixed assets" includes especially the revenues:

/ from the sale of land in cadastral territory Horní Počernice to the Capital City of Prague in the amount of CZK 58,338 thousand, then from the sale of land in cadastral territory Jinonice to the Doubravská stavební s.r.o. company in the amount of CZ 2,640 thousand,

/ from the sale of real estate in cadastral territory Libeň - service building Drahobejlova - to the General Financial Directorate in the amount of CZK 19,153 thousand

/ from the sale of special extrication vehicle VOLVO in the amount of CZK 1,010 thousand.

4.24. Material sold and revenues from the sale of material

As of 31 December 2018, the item "Material sold" amounts to CZK 65,736 thousand (CZK 68,410 thousand in 2017), the item "Revenues from the sold material" amounts to CZK 69,607 thousand (CZK 74,329 thousand in 2017).

4.25. Other operating revenues

(Figures in CZK thousand)

	2018	2017
Subsidies to settlement of costs	68 831	98 138
Revenues – surcharges to fare	242 060	291 663
Revenues – assignment of receivables for SMS tickets	502 141	503 756
Assessment of compensations – insurance companies	67 745	76 727
Contractual penalties, fines, interest on late payments	13 087	4 638
Other operating revenues	33 052	207 652
Total	926 916	1 182 574

The decrease in the item "other operating revenues" compared to 2017 is caused by the fact that in 2017 the receivables from actions brought for unjust enrichment against the companies euroAWK s.r.o. and RENCAR PRAHA, a.s. were accounted in the amount of CZK 169,328 thousand.

4.26. Other operating costs

(Figures in CZK thousand)

	2018	2017
Insurance premium	314 977	326 734
Depreciation of receivables	8 659	43 673
Depreciation of assigned receivables from SMS tickets	502 142	503 755
Contractual penalties, interest on late payments	7 707	5 409
Other operating costs	114 204	61 740
Total	947 689	941 311

The increase in the item "other operational costs" is due to write-off of unfinished inevstments as lost, especially the investment event "Closing the metro with turnstiles" in the amount of CZK 46,314 thousand.

The decrease in the item "write-off of receivables" is due to decrease in the number of written-off receivables from transport inspection.

4.27. Revenues from fixed financial assets

As of 31 December 2018, the company does not report any revenues from fixed financial assets.

4.28. Interest revenues and similar revenues

(Figures in CZK thousand)

	2018	2017
Interest on current bank accounts	17 049	3 785
Total	17 049	3 785



4.29. Interest costs and similar costs

(Figures in CZK thousand)

	2018	2017
Paid banking interests	3 076	0
Interests on bill of exchange programme	94 206	61 137
Total	97 282	61 137

In case of paid banking interests this is a correction of incorrectly attributed interests from the bank in 2017.

4.30. Other financial revenues except for derivative transactions (Figures in CZK thousand)

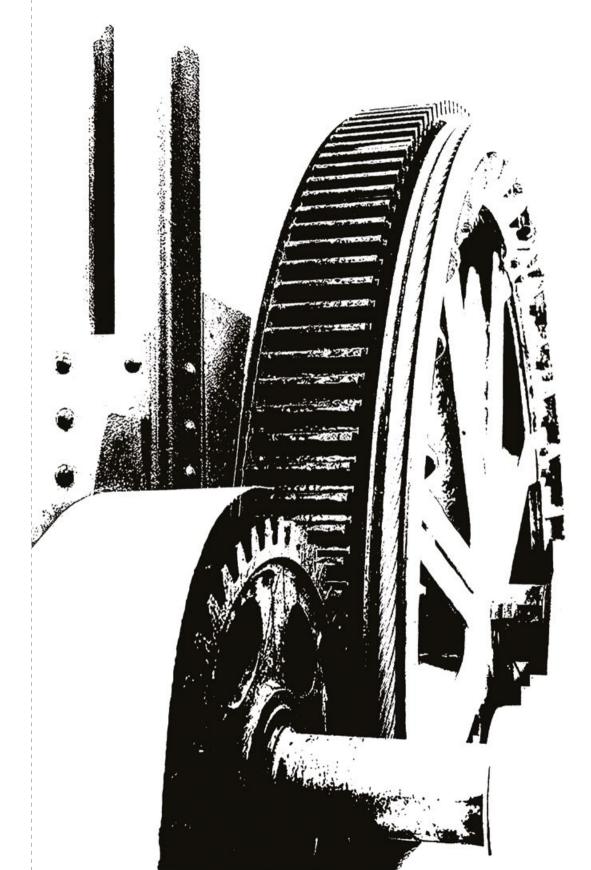
	2018	2017
Revenues from securities and participations sold	3 170 000	2 000 000
Exchange rate differences	579	518
Revenues from short-term securities	408	468
Other financial revenues	-31 353	60 490
Received financial donations	20	0
Total	3 139 654	2 061 476

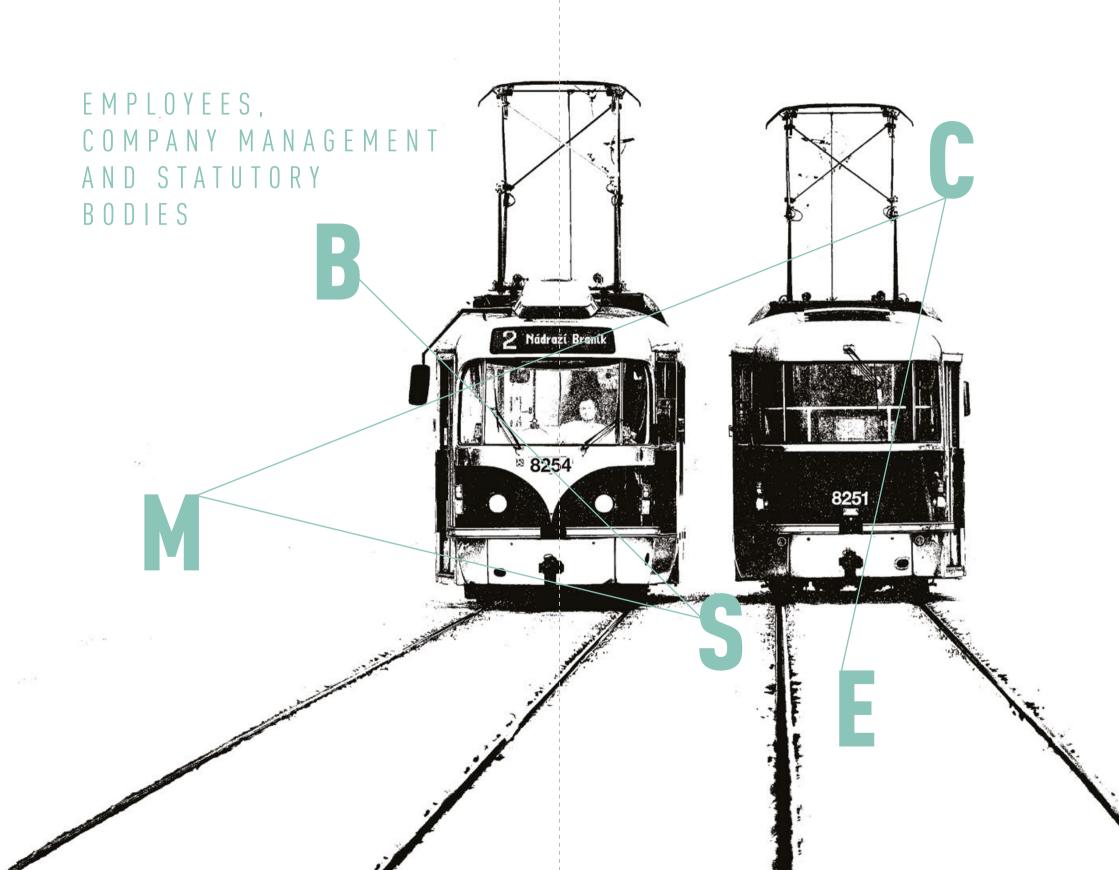
Other financial revenues are negative due to releasing of the expected bonus from the property insurance accounted in 2017 in the amount of approx. CZK 44 million.

4.31. Other financial costs except for derivative transactions (Figure

	2018	2017
Bank expenses	20 040	16 772
Exchange rate differences	415	1 391
Securities and participations sold	3 170 000	2 000 000
Other financial costs	4 400	4 108
Total	3 194 855	2 022 271

The entry "Securities and participations sold" reflects, in accordance with the applicable accounting regulations, the costs of the sale of securities which were acquired by the company in accordance with the strategy of deposition of temporarily available funds. The reciprocal item, within the framework of the chart of accounts, is "Revenues from securities and participations sold", see Chapter 4.30.





5. EMPLOYEES, COMPANY MANAGEMENT AND STATUTORY BODIES

5.1. Personnel costs and number of employees

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(Figures in CZK thousand)

	Number *		Costs of soc. and health security	Other costs	Personnel costs in total
Employees	10 971	5 258 314	1 900 717	238 656	7 397 687
Company management	13	25 736	7 730	396	33 862
Board of directors		17 908	3 800		21 708
Supervisory board		3 961	1 310		5 271
Audit committee		515	175		690
Corp. body members **		22 384	5 285		27 669
Total	10 984	5 306 434	1 913 732	239 052	7 459 218

2017

2018

(Figures in CZK thousand)

	Number *	Wage costs	Costs of soc. and health security	Other costs	Personnel costs in 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

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. 2018–31. 3. 2018	10 998	13
1. 1. 2018–30. 6. 2018	11 006	13
1. 1. 2018–30. 9. 2018	10 990	13
1. 1. 2018–31. 12. 2018	10 984	13

^{*} The number of employees is based on the average converted headcount.

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 Units. The members of the Board of Directors, including the Chief Executive Officer, perform their office, as of the day of preparation of the Financial Statements, on the basis of an Agreement on Performance of an Office.

5.2. Provided loans, credit facilities or other performance

Non-residential premises and low-value assets were provided to trade unions free of charge.

No financial loans or credit facilities were granted to shareholders or members of statutory, supervisory and control bodies.

The contribution for pension insurance schemes, complementary pension insurance programmes and life insurance was provided only to those members of statutory, supervisory and control bodies, who are, at the same time, also the employees of the company.



^{**} Board of Directors, Supervisory Board, Audit Committee.



6. LIABILITIES NOT STATED IN THE ACCOUNTING

Contractual liabilities for renewal and development of the fleet and construction investments from contracts concluded by the end of 2018 amount to CZK 1,915,724 thousand.

For the area of renewal and development of machinery investments, the contractual liabilities amount to CZK 1,247,485 thousand in total with the most important items being:

/ purchase of 150 standard low-floor buses in the amount of CZK 751,000 thousand, / purchase of 40 articulated low-floor buses in the amount of CZK 287,000 thousand, / project documentation of the technology centre renovation in the amount of CZK 25,198 thousand, / extension of canal footbridges in tram repair shop in the amount of CZK 22,614 thousand, / reconstruction of ventilation and heating in the Háje metro station in the amount of CZK 22,000 thousand.

The main source of funding of these liabilities will be own funds of the company.

For the area of renewal and development of construction investments, the contractual liabilities amount to CZK 668,239 thousand in total and concern especially the following projects:

/ barrier-free access to the Karlovo náměstí metro station in the amount of CZK 210,643 thousand, / reconstruction of supporting structures of rails in the Kobylisy and Žižkov depots in the amount of CZK 79,121 thousand,

/ modernisation and barrier-free access to public toilets in the metro in the amount of CZK 75,130 thousand.

/ construction of a new depot in Hloubětín in the amount of CZK 62,709 thousand, / reconstruction of the roof of object D – parking hall in the garage in Řepy in the amount of CZK 51,333 thousand.

In connection with renovation and development of construction investments, the company anticipates financing also from subsidies for acquisition of fixed assets.

Another area of the liabilities not stated in the accounting consists of potential liabilities due to litigations with an essential impact on the company, which, however, do not meet the parameters for reflection in the Balance Sheet.

Summary information on these litigations:

/ total: 35 litigations

/ in the total amount: CZK 6,424,515.65

- 1] Associated with the employment relationship: 9 litigations
- 2) Action for compensation for injury from an accident at work: 11 litigations
- 3) Unjusted enrichment from the use of land: 1 litigation

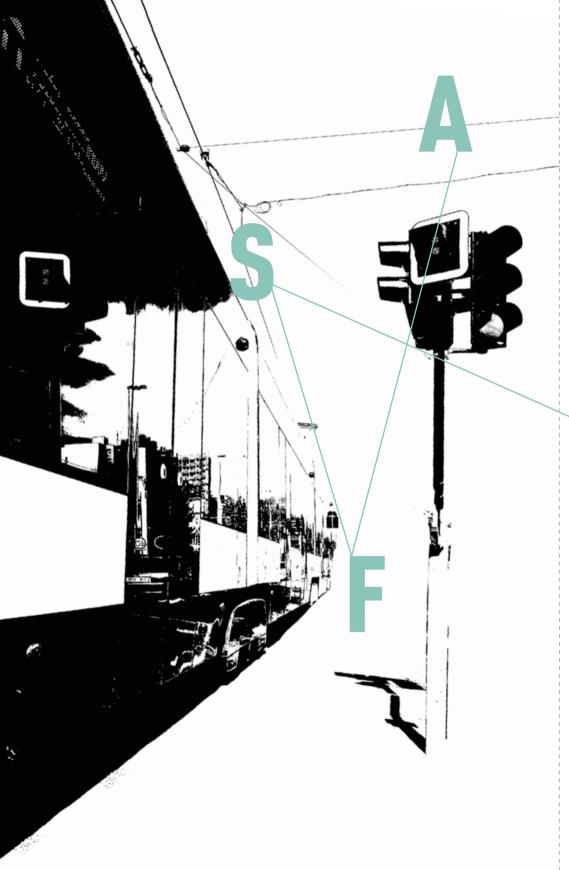


- 4) Compensation for damage: 6 litigations
- 5) Other actions: 8 litigations

DP is with high probability the owner of former municipal waste landfill Libuš located in cadastral area Modřany, which was created by legal predecessors of DP. The ownership of this former landfill was granted to DP by the Supreme Court of the Czech Republic and this legal qualification has not been disproven yet. DP has not created any provisions in its accounting so far, nor has it deposited any funds for recultivation of this landfill, as required by applicable legislation in the field of waste management. In connection with solving the issue of recultivation of this landfill, the Capital City of Prague (HMP) promised to the DP management to cooperate and potentially to take over this landfill so that the recultivation is done from the budget of HMP, also due to the fact that new tram tracks are planned to be built on a part of the land on which this former landfill is located.

If the legal conclusion that the owner of this former municipal waste landfill Libuš and the subject liable for its recultivation is DP is not disproven in the next accounting period of 2019, and if at the same time HMP does not proceed to takeover of this former landfill and of the obligation of its recultivation, DP will be forced to create a provision for its recultivation, with adequate impact on decrease in equity and, at the same time, will be obliged to deposit funds in the volume corresponding to the amount of the provision created. Currently DP is working on relevant estimate of costs for recultivation of this landfill so that DP can potentially reflect it in its accounting books and accounting statements. According to preliminary high-level assessment, this will bring recultivation costs in the order of minimum of tens of millions of Czech crowns, while even a higher financial amount cannot be excluded.

70 | 71



7. APPROVAL OF THE FINANCIAL STATEMENTS OF 2017, PROFIT DISTRIBUTION OF 2018

7.1. Approval of the Financial Statements of 2017

Through the Resolution of the Council of the Capital City of Prague in the capacity of the General Assembly of DP No. 1568 of 19 June 2018, the Financial Statements of 2017 were approved in full scope with the following economic result: profit amounting to CZK 1,900,898 thousand. At the same time a decision was made about the transfer of the profit in the amount of CZK 1,900,898 thousand and of other economic result in the amounf of CZK 84,700 thousand to account 428 – Retained earnings from previous years.

7.2. Proposal for distribution of profit of 2018

The Board of Directors of the company proposes to the General Assembly of DP the distribution of the economic result achieved for the accounting period of 2018 in the form of profit amounting to CZK 1,529,146 thousand to be transferred to account 428 – Retained earnings from previous years.

E

8. EVENTS OCCURRING AFTER THE DATE OF THE FINANCIAL STATEMENTS

Based on Supervisory Board Resolution No. 2/2019/1 dated 28 January 2019, the termination of the office of member of the Board of Directors of Bc. Filip Tulák was approved as of 28 January 2019.

The Board of Directors decided that, starting on 29 January 2019, the competence in the field of investments is performed by the Chairman of the Board of Directors, Ing. Petr Witowski.

On its meeting dated 5 February 2019, the Board of Directors of the company approved the change of the organisation structure, whereby Section 800000 – Technical Section – Metro was established from 1 April 2019 and Section 200000 – Technical Section – Surface was renamed.



9. CASH FLOW STATEMENT

(Figures in CZK thousand)

		Period until 31. 12. 2018	Period until 31. 12. 2017
P.	Balance of funds and cash equivalents at the beginning of the accounting period	5 687 414	5 451 100
Z.	Accounting profit or loss from ordinary activities before taxation	2 034 524	2 347 389
A.1.	Adjustments for non-monetary transactions (A.1.1 to A.1.6)	3 370 849	3 422 781
A.1.1.	Depreciation of fixed assets (+)	3 311 792	3 177 598
A.1.2.	Change in the state of allowances and provisions (+/-)	17 349	158 440
A.1.3.	Profit (-) or loss (+) from sale of fixed assets	-47 122	-15 459
A.1.4.	Revenues from shares in profit (-)	0	0
A.1.5.	Cost (+) and revenue (-) interest	80 233	57 352
A.1.6.	Adjustments for other non-monetary transactions	8 597	44 850
A *	Net operational cash flow before changes in working capital (Z+A.1)	5 405 373	5 770 170
A.2.	Change in the state of working capital (A.2.1 to A.2.4)	-90 112	-520 458
A.2.1.	Change in the state of receivables and accruals and deferrals of assets (+/-)	138 679	-1 035 712
A.2.2.	Change in the state of liabilities and accruals and deferrals of liabilities $(+/-)$	-249 254	649 081
A.2.3.	Change in the state of the inventory (+/-)	20 463	-133 827
A**	Net cash flow from operational activities before taxation and extraordinary items (A.*+A.2)	5 315 261	5 249 712
A.3.	Interest paid (-)	-97 282	-61 137
A.4.	Interest received (+)	17 049	3 785
A.6.	Received shares in profit (+)	0	0
A***	Net cash flow from operational activities (A.**+A.3 to A.6)	5 235 028	5 192 360
B.1.	Expenses connected with acquisition of fixed assets (-)	-4 061 063	-4 741 633
B.2.	Incomes from the sale of fixed assets (+)	86 595	26 509
B.3.	Loans and credit facilities to related persons	0	0
B***	Net cash flow related to investment activities (B.1 to B.3)	-3 974 468	-4 715 124
C.1.	Change in the state of liabilities from financing	-648 543	-240 922
C***	Net cash flow related to financial activities (C.1+C.2)	-648 543	-240 922
F.	Net increase or reduction of funds and cash equivalents (A.***+B.***+C.***)	612 017	236 314
R.	Balance of funds and cash equivalents at the end of the accounting period (P+F)	6 299 431	5 687 414

Dopravní podnik hl. m. Prahy, akciová společnost

(The Prague Public Transit Company, a.s.) Sokolovská 217/42, Prague 9

APPROVAL OF THE NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2018 IN FULL SCOPE

Ing. Petr Witowski

Chairman of the Board of Directors Chief Executive Officer The Prague Public Transit Company, a.s.

Ing. Ladislav Urbánek

Vice Chairman of the Board of Directors The Prague Public Transit Company, a.s.

In Prague on 26 February 2019 Prepared by: Ing. Marek Polický



FULL BALANCE SHEET

As of 31 December 2018 (in CZK thousand)

The Prague Public Transit Company, Co. Inc. Sokolovská 217/42, 190 22 Prague 9

ID No.: 00005886

Code	Text		31. 12. 2018		31. 12. 2017
Code	Text	Gross	Correction	Net	Net
	TOTAL ASSETS	136 664 148	53 994 332	82 669 816	81 223 107
В.	Fixed assets	127 003 374	52 915 427	74 087 947	72 983 728
B.I.	Fixed intangible assets	1 056 561	944 019	112 542	86 818
B.I.2.	Royalties	896 654	838 725	57 929	62 264
B.I.2.1.	Software	889 076	831 549	57 527	61 812
B.I.2.2.	Other royalties	7 578	7 176	402	452
B.I.4.	Other fixed intangible assets	123 387	105 294	18 093	15 114
B.I.5.	Advances provided for fixed intangible assets and unfinished fixed intangible assets	36 520	0	36 520	9 440
B.I.5.2.	Unfinished fixed intangible assets	36 520	0	36 520	9 440
B.II.	Fixed tangible assets	125 676 954	51 971 408	73 705 546	72 656 430
B.II.1.	Lands and constructions	63 141 657	21 543 564	41 598 093	42 228 502
B.II.1.1.	Lands	3 419 762	0	3 419 762	3 436 657
B.II.1.2.	Constructions	59 721 895	21 543 564	38 178 331	38 791 845
B.II.2.	Tangible moveables and their sets	60 214 352	30 405 618	29 808 734	28 274 824
B.II.4.	Other fixed tangible assets	77 683	22 226	55 457	52 792
B.II.4.3.	Other tangible fixed assets	77 683	22 226	55 457	52 792
B.II.5.	Advances provided for fixed tangible assets and unfinished fixed tangible assets	2 243 262	0	2 243 262	2 100 312
B.II.5.1.	Advances provided for Fixed tangible assets	942 957	0	942 957	861 614
B.II.5.2.	Unfinished fixed tangible assets	1 300 305	0	1 300 305	1 238 698

B.III.	Fixed financial assets	269 859	0	269 859	240 480
B.III.1.	Shares – controlled or controlling entity	230 503	0	230 503	209 073
B.III.3.	Shares – substantial influence	39 356	0	39 356	31 407
C.	Current assets	9 478 429	1 078 905	8 399 524	8 114 862
C.I.	Inventory	573 049	8 783	564 266	580 079
C.I.1.	Materials	556 265	8 783	547 482	570 565
C.I.2.	Work in progress and semi-finished products	14 229	0	14 229	8 151
C.I.3.	Finished products and goods	1 487	0	1 487	1 363
C.I.3.2.	Goods	1 487	0	1 487	1 363
C.I.5.	Advances provided for inventory	1 068	0	1 068	0
C.II.	Receivables	2 605 949	1 070 122	1 535 827	1 847 369
C.II.1.	Long-term receivables	312 847	0	312 847	218 151
C.II.1.1.	Trade receivables	88 266	0	88 266	1 139
C.II.1.5.	Receivables – other	224 581	0	224 581	217 012
C.II.1.5.2.	Long-term deposits given	114 635	0	114 635	107 065
C.II.1.5.4.	Other receivables	109 946	0	109 946	109 947
C.II.2.	Short-term receivables	2 293 102	1 070 122	1 222 980	1 629 218
C.II.2.1.	Trade receivables	1 256 613	897 847	358 766	367 934
C.II.2.4.	Receivables – other	1 036 489	172 275	864 214	1 261 284
C.II.2.4.3.	Due from state – tax receivables	280 670	0	280 670	325 666
C.II.2.4.4.	Short-term deposits given	26 325	0	26 325	51 926
C.II.2.4.5.	Estimated assets	217 116	0	217 116	268 037
C.II.2.4.6.	Other receivables	512 378	172 275	340 103	615 655
C.III.	Short-term financial assets	0	0	0	3 169 592
C.III.2.	Other short-term financial assets	0	0	0	3 169 592
C.IV.	Funds	6 299 431	0	6 299 431	2 517 822
C.IV.1.	Cash	44 306	0	44 306	44 634
C.IV.2.	Bank accounts	6 255 125	0	6 255 125	2 473 188
D.	Accruals and deferrals	182 345	0	182 345	124 517
D.1.	Deferred expenses	176 657	0	176 657	122 041
D.3.	Deferred incomes	5 688	0	5 688	2 476

Code	Text	31. 12. 2018	31. 12. 2017
	TOTAL LIABILITIES	82 669 816	81 223 107
A.	Equity	67 363 016	65 780 420
A.I.	Share capital	31 239 495	31 239 495
A.I.1.	Share capital	31 239 495	30 726 125
A.I.3.	Changes of share capital	0	513 370
A.II.	Share premium and capital funds	31 039 539	30 986 089
A.II.2.	Capital funds	31 039 539	30 986 089
A.II.2.1.	Other capital funds	30 934 067	30 930 771
A.II.2.2.	Differences from revaluation of assets and liabilities (+/-)	105 472	55 318
A.IV.	Profit/loss - previous years (+/-)	3 554 836	1 653 938
A.IV.1.	Retained earnings from previous years (+/-)	3 554 836	1 569 238
A.IV.2.	Other profit/loss – previous years (+/-)	0	84 700
A.V.	Net profit/loss for the current period (+/-)	1 529 146	1 900 898
B.+C.	Liabilities	14 430 902	14 718 262
В.	Provisions	433 531	511 506
B.IV.	Other provisions	433 531	511 506
C.	Payables	13 997 371	14 206 756
C.I.	Long-term payables	5 949 557	5 393 030
C.I.3.	Long-term advances received	31 210	23 217
C.I.4.	Trade payables	594 449	556 165

C.I.8.	Deffered tax liability	5 323 898	4 813 648
C.II.	Short-term payables	8 047 814	8 813 726
C.II.3.	Short-term deposits received	87 910	296 888
C.II.4.	Trade payables	1 739 113	1 258 918
C.II.5.	Short-term bills of exchange payable	4 800 000	5 600 000
C.II.8.	Other payables	1 420 791	1 657 920
C.II.8.3.	Payables to employees	384 592	346 589
C.II.8.4.	Payables to social security and health insurance	228 592	205 270
C.II.8.5.	Due to state - tax liabilities and subsidies	690 342	1 007 164
C.II.8.6.	Estimated payables	105 955	79 091
C.II.8.7.	Other payables	11 310	19 806
D.	Accrued liabilities	875 898	724 425
D.1.	Accrued expenses	16 487	18 197
D.2.	Accrued revenues	859 411	706 228

Date of dispatch	Signature of statutory body or individual who is the accounting unit
26.02.2019	D (400)
Legal status of an accounting unit	Object
Incorporated Company	Public Transport Operator (and other activites)



FULL PROFIT AND LOSS STATEMENT

As of 31 December 2018 (in CZK thousand)

The Prague Public Transit, Co. Inc. Sokolovská 217/42, 190 22 Prague 9

ID No.: 00005886

Code	Text	Period to 31. 12. 2018	Period to 31. 12. 2017
1.	Revenues from the sale of products and services	19 368 813	18 594 271
l.1.	Revenues from the sale of own products and services	19 368 813	18 594 271
1.1.1.	Revenues from fare	4 404 463	4 365 273
1.1.2.	Compensation for public sevice obligation	14 308 404	13 535 144
I.1.3.	Other revenues	655 946	693 854
II.	Revenues from sale of goods	1 119	883
A.	Production consumed	6 895 744	6 555 685
A.1.	Cost of goods sold	751	661
A.2.	Consumption of material and energy	2 882 615	2 744 093
A.3.	Services	4 012 378	3 810 931
В.	Change in inventory of own products (+/-)	-6 078	2 520
C.	Capitalisation (-)	-498 228	-524 930
D.	Personnel costs	7 459 218	7 027 374
D.1.	Wages and salaries	5 306 434	5 024 367
D.2.	Social security, health insurance and other costs	2 152 784	2 003 007
D.2.1.	Social security costs and health insurance	1 913 732	1 802 759
D.2.2.	Other costs	239 052	200 248
E.	Value adjustments in the operational area	3 407 116	3 370 806
E.1.	Value adjustments of intagible and tangible fixed assets	3 305 328	3 206 343
E.1.1.	Value adjustments of intagible and tangible fixed assets – permanent.	3 311 792	3 177 598
E.1.2.	Value adjustments of intagible and tangible fixed assets – temporary.	-6 464	28 745
E.2.	Inventory value adjustments	-5 785	6 725
E.3.	Receivable value ajdustments	107 573	157 738
III.	Other operating revenues	1 083 118	1 284 008
III.1.	Revenues from fixed assets sold	86 595	27 105
III.2.	Revenues from material sold	69 607	74 329

			•
III.3.	Other operating revenues	926 916	1 182 574
F.	Other operating costs	1 004 288	1 015 024
F.1.	Residual price of fixed assets sold	39 473	11 646
F.2.	Material sold	65 736	68 410
F.3.	Taxes and fees	29 365	28 426
F.4.	Provisions in operational area and complex deferred costs	-77 975	-34 769
F.5.	Other operating costs	947 689	941 311
*	Operating profit/loss (+/-)	2 190 990	2 432 683
VI.	Interest revenues and similar revenues	17 049	3 785
VI.2.	Other interest revenues and similar revenues	17 049	3 785
J.	Interest costs and similar costs	97 282	61 137
J.2.	Other interest costs and similar costs	97 282	61 137
VII.	Other financial revenues	3 142 187	2 061 476
K.	Other financial costs	3 218 420	2 089 418
*	Profit/Loss from financial operations (+/-)	-156 466	-85 294
**	Profit/Loss before tax (+/-)	2 034 524	2 347 389
L.	Income tax	505 378	446 491
L.2.	Income tax - deferred (+/-)	505 378	446 491
**	Profit/Loss after tax (+/-)	1 529 146	1 900 898
***	Profit/Loss of current accounting period (+/-)	1 529 146	1 900 898
*	Net turnover for the accounting period	23 612 286	21 944 423

Date of dispatch	Signature of statutory body or individual who is the accounting unit	
26.02.2019	The Hay	
Legal status of an accounting unit	Object	
Incorporated Company	Public Transport Operator (and other activites)	

STATEMENT OF CHANGES IN EQUITY

As of 31 December 2018 (in CZK thousand)

The Prague Public Transit, Co. Inc. Sokolovská 217/42, 190 22 Prague 9

ID No.: 00005886

Account	Share capital	Changes in share capital	Other capital funds	Differences from revaluation of assets and liabilities	Accumulated profit/loss	
Opening balance as of 1. 1. 2017	30 726 125	0	30 931 366	-186 203	1 569 238	63 040 526
Capital transactions with owners						0
Allocation to the reserve fund						0
Paid-out dividends						0
Subscription of share equity						0
Change of share capital - non- monetary deposit		513 370				513 370
Subsidy to increase share capital						0
Other transactions						0
Profit/loss of the current year					1 900 898	1 900 898
Valuation of land and buildings			-595			-595
Increase in reval. diff. From revaluation 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 reserve fund						0
Corrections of errors and in methods					84 700	84 700
Closing balance as of 31. 12. 2017	30 726 125	513 370	30 930 771	55 318	3 554 836	65 780 420

Capital transactions with owners						0
Allocation to the reserve. fund						0
Paid-out dividends						0
Subscription of share capital						0
Change of share capital - Non- monetary deposit	513 370	-513 370				0
Subsidy to increase share capital						0
Other transactions						0
Profit/loss of the current year					1 529 146	1 529 146
Valuation of land and buildings			3 296			3 296
Increase in reval. diff. from revaluation of securities etc.				29 379		29 379
Revaluation of derivatives				25 648		25 648
Deferred tax to derivatives				-4 873		-4 873
Settlement of loss from the reserve fund						0
Corrections of errors and changes in methods						0
Closing balance as of 31. 12. 2018	31 239 495	0	30 934 067	105 472	5 083 982	67 363 016

Date of dispatch	Signature of statutory body or individual who is the accounting unit
26.02.2019	(LAY)
Legal status of an accounting unit	Object
Incorporated Company	Public Transport Operator (and other activites)

AUDITOR'S REPORT



Independent Auditor's Report

on Audit of the Financial Statements

as at December 31, 2018

of the company

Dopravní podnik hl. m. Prahy, akciová společnost (The Prague Public Transport Company, a.s.)

Prague, April 2019



Information about the audited company

Dopravní podník hl. m. Prahy, akcievá společnost Name of the Company.

(The Prague Public Transport Company, e.s.) Solo oviša 237/42, 190 22 Prague 9

Registered office Remiding carried out at Municipal Court in Prague Recording under number. Sertion B. Filemo. 842

(Onomber: DOC 05-886 Tax 00 mumber: 0200005888 Statutory body

Subject of business: Operation of a tramway betweek system, special reliced (metro system) and

cableway (Pathh and ZGO) and operation of (a) system transport in the Capital City of Prague load motor transport and others

1 /a nuary 2018 to 31 December 2018

Audited period:

Raciplent of the Report. The sole shareholder of Depraym godrskint, m. Pvahy, akclova spote/my: which

is the Capital City of Prague

Information about the auditing company

Name of the Company NEXIA AP a.s. Audit 5 im licence no : Ac. 095

Registered office: Sožolovská s/49, 186 00 Prague 8 Karlini Recording carried out ar: Municipal Court in Pregne

Recording under number: Section 8, Filtring 14203.

Dinjunber 4911/013 Tax ID consher. C748117013 +423 221 584 502

€-mail: нежвартадие@neviaprague.ca

Responsible auditor Ing Takub Kowli Audisor licence number. no. 4959

Page 2/8



Independent auditor's Report

to the sole shareholder of The Prague Public Transport Company, a.s.

Qualified Opinion

We have audited the Financial Statements of the joint-stock company Doprawif podnik hl. m. Prahy, akciová společnost ("The Prague Public Transport Company, a.s." hereinafter referred to also as "the accounting unit" or "the Company" or "DP") drawn up on the basis of the Crech accounting standards, consisting of the Balance Sheet as at 31 December 2018, Profit and Coss Statement, Overview of the Changes in Equity and Cash Flow Statement, drawn up for 2018 ending on 31 Occember 2018, and the Notes to the Financial Statementy, containing a description of the essential accounting methods used and other explanatory information.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the Financial Statements provide a faithful and fair image of assets and liabilities of The Prague Public Transport Company, as. as at 31 December 2018 and costs and incomes and of the result of its economic activities and cash flows for 2018, ending as at 31 December 2018, in accordance with the Crech Accounting Standards.

Basis for Qualified Opinion

We have carried out the audit of the Financial Statements the Company drawn up as at 31 December 2018 and we have issued a <u>Outsiled Opinion</u> on the Financial Statements. We performed the audit in accordance with the Auditors Act and Standards of the Chamber of Auditors of the Ceech Regulbic for Audit, which are the International Standards on Auditing (ISA), possibly completed and modified with the use of related application clauses. Our responsibility determined by these regulations is described at a more detailed level in the section entitled "Auditor's Responsibility for Audit of the Financial Statements, in accordance with the Auditors Act and the Code of Conduct adopted by the Chamber of Auditors of the Ceech Republic, we are independent of the accounting unit and we have fulfilled also other ethical obligations implying from the above-ment oned regulations. We are convinced that the evidence information, which we have collected, provides sufficient, and suitable grounds for formulation of our Qualified Opinion.

The basis for our Qualified Opinion is the fact that we were unable to obtain sufficient and proving information on 3 following facts, which have, with a significant probability, or may have material impacts on the stated amount of liabilities and equity and on valuation of assets as at 31 December 2018, material impacts on the result of economic activities for the accounting period of the year 2018, and till the publishing of the facts in the Notes to the financial Statements. In the follow-up to insufficient information, we were unable to assess the possible necessity and to quantify the necessary volume of additional modifications required by the Czech accounting standards which the stated value of assets, leabilities and equity as at 31 December 2018 and with the stated with the stated value of assets, leabilities and equity as at 31 December 2018 and with the stated amount of the profit/loss of the accounting period of the year 2018 and to assess necessity of the publishing of additional information in the Notes to the Financial Statements verified. This matter concerns the following 3 lacts which were revealed during execution of the audit of the Financial Statements submitted:

Page 3/8



- 1. The Company is, in the follow-up to the court decision, the owner of the former municipal waste landfill site "Libus" situated in the Cadostral District of Moorany (hereinafter referred to also as "the Modrany Landfill Site"), which arose at the time of legal predecessors of DP and which was not used by DP for waste dumping purposes according to the information provided to us. The assignment of the ownership of this laddfill site will mean, with a significant probability, an obligation of DP to ensure its regeneration and to carry out possible removal of the environmental load, when the Financial Statements to be verified do not state any resources in the form of provisions for coverage of these future expenses and liabilities of DP, which have their origin (cause) in the historical facts:
- a) The concerned landfill site is situated also on some plots of land which are currently not in the ownership of OP or of the Capital City of Prague (hereinafter referred to also as "HMP"). In order that it ran be possible to carry our regeneration properly, it will be necessary to implement the Europut of corresponding plots of land owned by third persons. The Board of Directors of the Company has already decided about execution of the buyout of these plots of land and in this context expects capital expenditures amounting to approx. CZK 150 million.
- b) At present, the Company does not have an expert analysis at its disposal yet, which would specify the necessary content and extent of regeneration works, recommended manner of their execution and their timing and which would quantify the expert estimation of costs (expenses) of execution of this regeneration.
- c) The Company will conduct regotiations with HMP aimed at the method which should be used for assurance of resources for the funding of regeneration of the Modifary Landfill Site and whether HMP will participate in the assurance of this regeneration by using its own resources (e.g. by way of a subsidy) no not.
- d) As at the date of issue of the present Report, the DP management does not have yet any relevant information about obligations and habilities, which the Company will or may bear in connection with regeneration of the Modiany Landfill Site and dicts not have at its disposal yet a relevant estimation of expenses of regeneration of this landfill site (in the auditor's opinion it is not possible to exclude expenses in the order of hundreds of millions of CZK). At the same time, the Company does not have at its disposal yet a blinding opinion of HMP, whether and in what way HMP would eventually take part in the funding of the regeneration.
- For the above stated reasons, as at the date of issue of the present Report it is not
 possible to qualify, in a relevant way, probable impacts of regeneration of the Modřany
 Landfill Site on the accounting statements and financial situation of DP and it is not
 possible to add necessary important information to the Notes to the Financial
 Statements either.
- From the viewpoint of the future development it is not possible to exclude a situation hading a significant impact on liabilities and associated expenses of HMP or a situation when in the follow-up to the common procedure of DP and HMP in this matter the factual negative impact on the economy and financial situation of OP in the next accounting periods will be significantly less negative or even immaterial.
- 2. The Company registers and in the Financial Statements states, within the framework of its long term assets, plots of land valued at a purchase price of CZK 809 million (it is at the same time their accounting value), which it does not need for assurance of the operation of public city transportation and defines them as superfluous property. The Company offers these plots of

Page 4/6



land to HMP for sale (purchase) within the framework of the process of mutual settlement (exchange) of fixed assets which has already been initiated earlier:

- a) Many of these plots of land (approx 52 % of their stated accounting value) contain constructions owned by HMP (Infrastructure madways, pavements etc.), and DP does not have any economic benefits from their possession yet (e.g. rental or ground rents). Such plots of land are not economically useable for any entity other than HMP, and are not realisable through the sale on a free market, because the existence of the infrastructural constructions of HMP marketly reduces (heir marketability for principle, HMP should not agree with OP offering such plots of land for purchase to third persons).
- Some of these superficious plots of land (from the viewpoint of the portfolio of the superfiction plots of land approx. 25 % of their stated accounting value) have, in the Cumpany's opinion, a potential of use for implementation of commercial projects or development activities of OP.
- b) The valid Crech Accounting Standards require the Company to carry out, within the framework of the inventory check, also an assessment of correctness of valuation of the property stared and to verify whether there are any reasons for decreasing the value of some property or not. This procedure is, in our opinion, especially important at superfluous property which does not have any objective use for DP and whose realisation on the free market is limited for objective reasons. Such assessment of valuation of plots of land required by the accounting standards was not carried out within the framework of the Financial Statements, and in our opinion it is obvious that in the case of the plots of land which do not have any commercial potential or are not suitable for development projects of DP and HMP does not purchase them from DP, their objectified value is significantly lower than the purchase price (the accounting value) stated at present.
- c) As at the date of issue of the present Report, no agreement has been made yet between DP and RMM, specifying which of the plots of fond are to be purchased by RMMP. As soon as RMMP determines which of these superfluous plots of land it wants to purchase from DP, they will be valued by an independent expert who is to determine their transfer price on the basis of the arm's tength principle. The plots of land in which RMMP does not declare any interest, will remain in the property of DP which should value them with a value which is derived from the possibility of their further use for the needs of DP or from the value of the presupposed sales price if it is possible to realise the plots of land by sale.
- d) In the case of the plots of land which do not have any objective useful value or do not have any commercial potential (plots of land encumbered by the infrastructure, plots of land of small dimensions, plots of land in non-prospective sites etc.) their objectified value for OP will be low, with a high probability.
- As at the date of issue of the present Report, we do not have, at our disposal, the
 necessary grounds and information, on the basis of which it would be possible to assess,
 in a relevant way, the correctness of valuation of the concerned portfolio of superfluous
 plots of land stated in the Financial Statements drawn up as at 31 December 2018 in the
 value of CZK 809 million or to suitably complete other necessary information in the
 Annex to the Annual Financial Statements.
- The currently objectified value of this partfolio of superfluous plots of fand is conditioned, in a significant extent, by the decision of HMP about the purchase of selected superfluous plots of land and subsequent determination of their sales price by

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an Independent expert on the basis of the arm's length price. Those facts will only be revealed not sooner than in the accounting period of the year 2019.

3. In the follow-up to the results of the ongoing avoit the auditor asked for the processing and submission of the internal analysis of DP, in which it would be possible to calculate, in the link to the objective use of plots of fand of third persons and the time periods which would not be time-barred, the risk of the maximum encumbrance of unjustified earlchment, which DP could be obliged to release in connection with provable use of plots of fand of third persons and which are not yet the subject matter of the actions filed (in the auditor's opinion it is not possible to exclude the volume of the risks of future liabilities in an order as high as dozens of millions of CZK). This analysis has not been drawn up for the time reasons yet, and therefore it has not hern possible to relevantly assess the need of complementary information to the Notes to the Financial Statements being verified.

Other information included in the Annual Report

The other information is, in accordance with Section 2(b) of the Auditors Act, the information stated in the Annual Report out of the Financial Statements and our Auditor's Report. The accounting unit management is responsible for the other information.

Our opinion on the financial Statements does not relate to the other information. But still, it is a part of our obligations associated with verification of the Financial Statements to get familiar with the other information and assessment, whether the other information is not in a significant (material) discordance with the Financial Statements or with our knowledge about the accounting unit acquired during verification of the Financial Statements or whether this Information does not seem to be significantly (materially) incorrect. We assess also whether the other information was drawn up, in all significant (material) regards, in accordance with applicable legal regulations. This assessment determines whether the other information meets requirements of legal regulations fur formal prorrequisites and the procedure of the drawing up of the other information in the context of importance (insteriality), if either the possible non-observance of the above-ment-oned requirements could affect the judgement made on the basis of other information.

On the basis of the procedures applied, to the extent which we are able to assess, we state that:

- The other information which describes the facts that are also the subject matter of presentation in the Financial Statements is in all significant (material) regards in accordance with the Financial Statements.
- In the Notes to the Financial Statements, the Company states Important information concerning
 the Issues of the ModPany Landfill Site and the information relating to the process of settlement
 of the balance of fixed assets (construction works, infrastructural capital expenditures, plots of
 land etc.) between DP and HMP.
- The other information was drawn up in accordance with legal regulations.

Moreover, we are obliged to state whether, on the basis of knowledge and awareness concerning the accounting unit, at which we have arrived during the audit execution, the other information does not contain any significant [material] factual incorrectness. Within the framework of the stated procedures we have not found out any significant [material] factual incorrectness in the other information obtained.

Fage 6/B

93

Page 5/8



Responsibility of the Board of Directors, Supervisory Board and Audit Committee for the Financial Statements

The Board of Directors is responsible for the drawing up of the Financial Statements presenting a faithful and honest image in accordance with the Ceech Accounting Standards, and for such an internal checking system which it considers to be necessary for the drawing up of the Financia remains so that steep do not contain any significant (material) incorrectness caused by a fraud on mistake.

In the declaration of the accounting unit management, provided for the purpose of audit execution, we received necessary information concerning the Modřany Landfull Site and the information relating to the process of settlement of the state of fixed assets between DP and HMP.

During the drawing up of the Financial Statements, the Board of Directors is obliged to assess whether the accounting unit is able to meet the going concern presumption, and if relevant, then to describe, in the Notes to the Financial Statements, the matters concerning its going-concern presumptions, and the use of the going concern presumption during the drawing up of the Financial Statements, except for the cases when the Board of Directors plans cancellation of the accounting unit or termination of its activities, or when it does not have any realistic possibility other than doing so, respectively.

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 Iraud 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' 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 dayly significant doubt on the accounting unit's ability to

Page 7/8

Nexia

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 discretizes 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 crase 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.

We communicate with the Board of Unectors, 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.

In Prague, on 8 April 2019

KA CR

Ing. Jaxub Kovář Auditor's Registration Number 1959 NEXIA AP a.s. Auditing Company's Registration Number 096

Page 8/8

Prague Public Transit Company,

a joint-stock company

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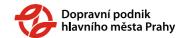
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Prague, April 2019



ANNUAL REPORT 2018



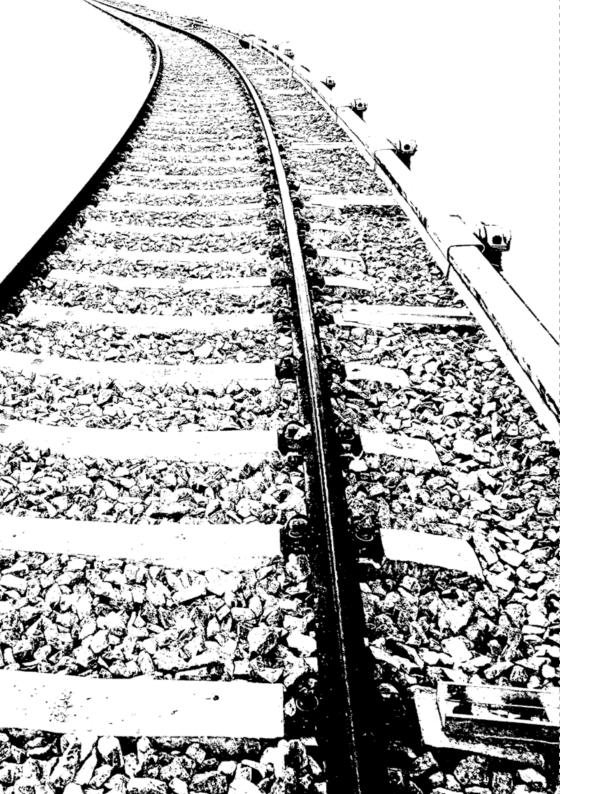
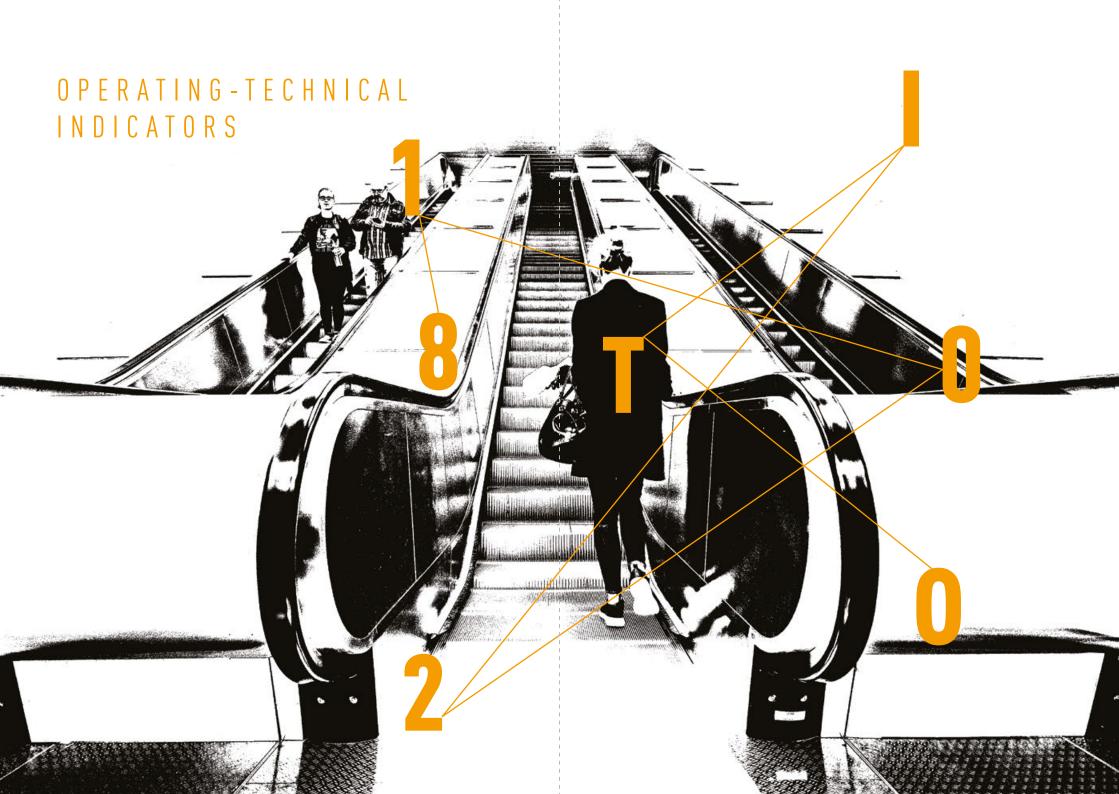


TABLE PART ANNUAL REPORT 2018

Contents

Operating-Technical Indicators	4
Number of operated lines, their length and average speed	6
 An average number of dispatched vehicles per day 	6
Operating kilometres per vehicle and place	6
Percentage of mends and energy consumption	6
• List of lines	7
 Important changes in line connections within PID during 2018 	16
Division of the transport service area into zones	19
• Data concerning the PID Company's fleet as of 31. 12. 2018	20
Personnel Indicators	22
Number of employees	24
Number of employees by profession for 2018	24
Wage costs, including OON in CZK thousand and the average wage	
in CZK for 2018	25
• Structure by education according to recorded state as of 31. 12. 2018	25
Economic Indicators	26
Share of individual types of costs in the PID's total costs	26
Structure of direct PID's costs without transport routes	26
• Share of PID's operating costs and costs of transport routes in the PID's total costs	26
Revenues from Transit	27
Revenues from fare within the framework of the PID system for 2018	27
Special-Purpose Grant	28
Special-purpose investment grant from the budget of the Capital City of Prague	29

Overview of Types of Tickets	30
Time-limited coupons to the pre-paid tickets valid in the territory	
of the Capital City of Prague with a selectable start of validity	31
Time-limited coupons to the personal card valid in the territory	
of the Capital City of Prague with a selectable start of validity	31
Time-limited coupons to the non-personal card valid in the territory	
of the Capital City of Prague with a selectable start of validity	32
Time-limited transferable coupons valid in the territory	
of the Capital City of Prague with selectable start of validity	32
Employees fare	32
• Tickets for a single journey in the territory of the Capital City of Prague (P+0+B)	33
Special AE tickets (Airport Express)	33
 Combined time-limited BUS+TRAIN coupons to the pre-paid ticket valid within 	
external PID zones applicable with a personal card with a selectable start of validity	34
 Combined time-limited coupons BUS+TRAIN to the pre-paid ticket within 	
external PID zones with a selectable start of validity	36
Tickets for a single journey within external zones	38
The Prague Card	39
Development of the tariff rates in the PID network during 5-year period	40
Pre-paid time-limited tickets – citizens discounted	41
Pre-paid time-limited tickets – discounted	41
Pre-paid time-limited tickets – transferable with a selectable start of validity	41
Volume of total investment costs and resources	42
Volume of total investment costs	44
Volume of total investment resources	45



NUMBER OF OPERATED LINES, THEIR LENGTH (in km) AND AVERAGE SPEED (in km/h)

Number		perated lines	Length	Average speed (in km/h)	
	Day-time	Night-time	of lines in km	Transit	Circulating (operating)
Metro	3	-	65,4	35,65	33,21
Trams	25	9	557,8	18,58	13,30
Buses	126	15	1 789,6	25,01	16,80
Trolleybuses	1	-	4,9	22,38	10,10

Note: Excluding the historic (nostalgic) tram line and the funicular to Petřín.

AVERAGE NUMBER OF DISPATCHED VEHICLES PER DAY

(in regular operation excluding the operation during holidays)

	Morning Peak	Saddle	Afternoon Peak	Saturday	Sunday
Metro	508	267	417	185	196
Trams	642	472	641	365	345
Buses	922	534	870	425	409
Trolleybuses	1	1	1	1	1

OPERATING KILOMETRES PER VEHICLE AND PLACE (in km thousands)

	vehicle km (ths of vehicle km)	place km (ths. mkm)
Metro	59 244	10 921 978
Trams	41 083	6 346 566
Buses	65 953	5 652 154
Trolleybuses	18	1 260
Funicular	22	2 201
Total	166 320	22 924 159

Note: Excluding kilometres of contractual transport and the historic (nostalgic) tram line. Kilometres per vehicle of trams are not converted. Buses are counted including suburban lines.

PERCENTAGE OF MENDS AND ENERGY CONSUMPTION

	Percentage of Consumption of traction energy		Consumption of diesel fuel		
	mends of vehicles	in kWh thousand	for 1 km per vehicle	in litres thousand	for 1 km per vehicle
Metro	14,10	115 640	1,95	-	-
Trams	19,97	127 513	3,07	-	-
Trolleybuses	2,61	23	1,25	-	-
Buses	9,19	-	-	30 039	0,44

LIST OF LINES

Metro lines operated as of 31. 12. 2018

Line	Route	Length of track in m *	Running time in min.
А	Nemocnice Motol – Depo Hostivař	16 957	31,17
В	Černý Most – Zličín	25 706	41,17
С	Háje – Letňany	22 425	35,83

* Length of track means the distance between mid points of terminal stations on the 1st rail, the data comes from the survey of actual situation and was provided by the Metro Transport Route Unit (JDCM). Time in accordance with timetables (SJŘ) was utilised for the running time – always the longest one for each route.



Metro lines operated as of 31. 12. 2018

Line A consists of 17 stations:	Line B consists of 24 stations:	Line C 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
	Jinonice	Střížkov
	Nové Butovice	Prosek
Zone operation:	Hůrka	Letňany
Skalka – Depo Hostivař (on business days only	Lužiny	
cca. from 6:00 a.m. to 7:00 p.m.)	Luka	
	Stodůlky	
	Zličín	

Tram lines operated as of 31. 12. 2018 (basic line connections – the situation without closures)

Day-time lines

Line	Route	Average length without loops in m	Average running time in minutes
1	Sídliště Petřiny – Spojovací	14 110	43,5
2	Sídliště Petřiny – Nádraží Braník	14 670	45,0
3	Levského / Sídl. Modřany – Kobylisy / Březiněveská	20 270	60,5
4	Sídliště Barrandov – Čechovo náměstí	11 240	39,0
5	Sídliště Barrandov – Ústřední dílny DP	17 560	56,5
6	Palmovka – Kubánské náměstí	13 230	50,0
7	Radlická – Černokostelecká	11 590	41,0
8	Nádraží Podbaba – Starý Hloubětín	13 790	43,5
9	Sídliště Řepy – Spojovací	17 380	54,0
10	Sídliště Řepy – Sídliště Ďáblice	22 290	71,5
11	Spořilov – Spojovací	12 700	44,0
12	Sídliště Barrandov – Výstaviště Holešovice	15 980	52,5
13	Čechovo náměstí – Černokostelecká	8 331	31,0
14	Spořilov – Vysočanská	15 330	54,0
15	Kotlářka – Olšanské hřbitovy	11 450	40,0
16	Sídliště Řepy – Lehovec	22 740	72,5
17	Levského / Sídl. Modřany – Vozovna Kobylisy	20 030	54,0
18	Nádraží Podbaba – Vozovna Pankrác	11 390	41,0
20	Sídliště Barrandov – Divoká Šárka	16 920	50,5
21	Levského / Sídl. Modřany – Radlická	13 997	36,0
22	Bílá Hora – Nádraží Hostivař	20 950	67,5
23	Zvonařka – Královka	8 275	32,5
24	Březiněveská / Kobylisy – Kubánské náměstí	14 340	50,5
25	Bílá Hora – Lehovec	17 560	52,5
26	Divoká Šárka – Nádraží Hostivař	20 550	63,5

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	63,5
95	Vozovna Kobylisy – Ústřední dílny DP	21 500	59,0
96	Sídliště Petřiny – Spořilov	17 220	50,0
97	Bílá Hora – Nádraží Hostivař	21 310	60,5
98	Sídliště Řepy – Spojovací	18 610	52,0
99	Sídliště Řepy – Nádraží Hostivař	20 600	57,0

Funicular and historic tram

Line	Route	Average length without loops in m	Average running time in minutes
LD	Újezd – Petřín	510	4,0
41	Vozovna Střešovice – Výstaviště Holešovice	9 310	35,0



Bus lines operated by DPP as of 31. 12. 2018

a/ Bus lines within the basic network

Line	Route	Average length of line in m	Average running time in minutes
100	Zličín – Letiště	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 – Dejvická	15 825	46
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
118	Sídliště Spořilov – Smíchovské nádraží	10 900	28
119	Nádraží Veleslavín – Letiště	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	Želivského – Zelený pruh	8 700	30
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 – Dvorce	8 850	31
135	Florenc – Chodov	13 050	41
136	Sídliště Čakovice – Jižní Město	25 975	74



			•
137	Na Knížecí – Malá Ohrada	12 775	38
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	28
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	17 075	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
165	Sídliště Zbraslav – Háje	21 200	52
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	30
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	13
190	Smíchovské nádraží – Na Beránku	9 450	21
191	Na Knížecí – Letiště	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
199	Želivského – Sídliště Malešice	2 575	8
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
216	Poliklinika Petřiny – Sídliště Baba	8 400	26
225	Velká Ohrada – Nové Vokovice	14 100	39
227	Háje – Nedvězí	13 725	32
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
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
247	Nádraží Radotín – Sídliště Zbraslav	6 875	13
248	Nádraží Radotín – Viničky	2 000	7
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	30 250	63
902	Lysolaje – Třebonice	21 650	43
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	31 550	64
907	Přední Kopanina – Lipence	35 975	69
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	Hloubětínská – Ve Žlíbku	9 450	21
913	Dolní Chabry – Točná	36 575	79
914	Třebenická – Březiněves	5 675	11
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
255	Nebušice – Dejvická	10 950	27
256	Knovízská – Mokrá	2 350	7
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	29
263	Na Pískách – Průhonský háj	3 300	8
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	21
312	Bořislavka – Lichoceves	16 175	34
329	Sídliště Skalka – Škvorec, náměstí	28 625	60
340	Dejvická – Roztoky, Levý Hradec	10 250	21
347	Zličín – Motol	23 250	51
351	Letňany – Neratovice, žel. st.	20 550	45
352	Luka – Jinočany, náměstí	7 225	20
355	Dejvická – Únětice	11 200	26
359	Suchdol – Roztoky, Bělina	12 475	29
363	Opatov – Velké Popovice, Todice	23 900	53
364	Depo Hostivař – Doubek	23 025	45
366	Depo Hostivař – Březí, Podskalí	20 125	40

e/ ZLD lines (these lines are intended for persons with disabilities and for their guardians)

Line	Route	Average length of line in m	Average running time in minutes
Н1	Chodov – Obchodní centrum Černý Most	38 725	96

f/ Airport Express line

Line	Route		Average running time in minutes
AE	Hlavní nádraží – Letiště	17 975	40

Trolley-bus lines

Li		Route		Average running time in minutes
Ę	58	Palmovka – Letňany	4 475	12

IMPORTANT CHANGES IN LINE CONNECTIONS WITHIN PID IN THE COURSE OF 2018

15. / 16. 1. 2018

/ line No. 914 extended from Březiněves, from the Sídliště Ďáblice stop to Třebenická

24, 2, 2018

/ line No. **5 -capacity reinforced** during weekends by deploying coupled or articulated sets / line No. **7 - coupling** the line during weekends while extending the intervals to standard ones

4, 3, 2018

/ new line No. **357 established** on the Nádraží Uhříněves – Nupaky, hotel route

3, 4, 2018

/ new line No. 216 established on the Bořislavka – Sídliště Baba route

30. 6. 2018

/ line No. **108** redirected to the Dejvická – Sibiřské nám. – Petřiny – Sídliště Na Dědině route / line No. **216** redirected to the Sídliště Baba – Bořislavka – Poliklinika Petřiny route / line no. **305** cancelled (Náměstí J. Berana – Hovorčovice)

1, 7, 2018

/ new trolley-bus line No. 58 established on the Palmovka – Letňany route

22.8.2018

/ new line No. **263 established** on the Na Pískách – Průhonský háj route

1, 9, 2018

/ reinforcement of the operation of the metro A line on Sunday morning from cca. 10 a.m. to 2 p.m.

/ reinforcement of the operation of the metro **B** and **C** lines during weekends and cancellation of zone operation on the metro **C** line

/ line No. **6 - coupling** of the lines during weekends while extending the intervals to standard ones

/ line No. 11 - coupling of the line during weekends

/ reinforcement of the operation of all tram lines on Sunday morning from approximately 10 a.m. to 2 p.m.



/ reinforcement of the operation of selected bus lines on Sunday morning from approximately 10 a.m. to 2 p.m.

/ line no. 124 shortened to the route: Želivského – Zelený pruh

/ line no. 134 extended to the route: Podolská vodárna – Dvorce

/ line no. 163 (Želivského – Sídliště Rohožník) handed over to a foreign carrier

/ line No. **165** Sídliště Zbraslav – Háje taken over by a foreign carrier

/ new line No. 199 established on the Želivského – Sídliště Malešice route

/ line No. 228 (Nádraží Uhříněves – Benice) handed over to a foreign carrier

/ new line No. **247 established** on the Nádr. Radotín – Sídliště Zbraslav route

/ new line No. 248 established on the Nádr. Radotín – Sídliště Radotín /

Viničky – Nádr. Radotín route

/ line No. 253 cancelled (Štěrboholy – Škola Dubeč)

/ line No. **264** (Sudějovická – Hulická / Polesná) handed over to a foreign carrier

/ line No. **357** cancelled (Nádraží Uhříněves – Nupaky, hotel)

/ line No. **912** redirected to the Hloubětínská – Ve Žlíbku route

22. 10. 2018

/ line No. 258 (Žvahov – Štěpničná – Hlubočepy) handed over to a foreign carrier

1.11.2018

/ line No. **117** (Poliklinika Budějovická – Čechova čtvrť) handed over to a foreign carrier / line No. **222** (Černý Most – Výzkumné ústavy Běchovice) handed over to a foreign carrier

9. / 10. 12. 2018

/ line No. **906** between Opatov and Křeslice is newly run via Kateřinky and Formanská

/ line No. 955 cancelled (Modrá škola – Čestlice)



DIVISION OF THE TRANSPORT SERVICE AREA INTO ZONES

The Prague Integrated Transport system (PID) is the system that ensures transport service in the Capital City of Prague and the Central Bohemian region jointly by individual carriers in various types of transport. The carriers fulfil the transit contract in accordance with unified contractual transport 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 is divided into P and 0 zones in terms of tariffs, in total comprising four tariff zones.

"P" zone has the double tariff value and includes metro (A, B, C lines), trams (lines Nos. 1–26 and 91–99), public city transport buses (lines Nos. 100–275 and 901–915), the Petřín funicular, ferries and selected sections of railway.

"0" zone includes suburban bus lines within the PID system (lines Nos. 300–420 and 951–960) and selected track sections of railway. "0" zone is divided into "0" zone and "B" zone - the zone of cross-border stops. Within the framework of "0" zone, there are stops defined and marked as "B" zone - referred to as crossborder stops. For the purposes of the PID tariff, "0" zone and "B" zone are included separately for individual fare (i.e. as two zones) and as one zone for pre-paid time-limited fare

PID suburban transport is the transport outside the territory of the Capital City of Prague, which is divided into nine external zones (tariff zones "1, 2, 3, 4, 5, 6, 7, 8, 9") for the purposes of the PID tariff. It includes bus lines Nos. 421–671 and the railways.

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

1/ Transfer – for individual tickets, pre-paid time-limited short-time tickets, time-limited coupons valid in the territory of the Capital City of Prague in "P" and "0" zones including "B" cross-border zone, combined time-limited coupons BUS+TRAIN valid for suburban buses and trains within 0-9 zones.

A list of stops included in "B" zone for trains and buses within the PID system – stations and stops included in "0" or "B" zone comprises a part of the "Prague Integrated Transport Tariff" with the validity from 1. 8. 2018 – including all Amendments.

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

DATA ON THE PID COMPANY FLEET AS OF 31. 12. 2018

			actual inventory (accounting) state	actual operating (record- keeping) state *	put out of operation **	average service life from the actual operating state
м		81-71M	465	465	0	12,15
M		M1	265	265	0	15,45
In	total I	Metro	730	730	0	13,35
		T3 R.P	347	347	0	13,65
		T3 R.PLF low-floor	35	35	0	8,80
	Solo	T3 M	23	23	0	23,83
		T3 SU	19	17	2	31,35
т		T6A5	93	48	45	22,31
	ted	KT8N2 low-floor	48	48	0	8,75
	Articulated	14 T low-floor	57	57	0	10,37
	Art	15 T low-floor	243	243	0	3,70
	In t	total solo	517	470	47	15,32
	In t	total articulated	348	348	0	5,49
In	total	Trams	865	818	47	11,14

		B 951	131	116	15	14,24
	Standard	Citybus + Citelis low-floor	214	163	51	16,26
	St	Crossway low-floor	9	9	0	7,01
В		SOR NB12, BN12, NS12 low-floor	309	* 310	0	5,11
	-0	B 941	46	27	19	18,96
	late	B 961	30	28	2	16,00
	Articulated	SOR NB18 low-floor	409	* 411	0	5,23
	∢	City articulated low-floor	41	32	9	15,06
	In total Midi		65	65	1	6,11
	In total standard		676	598	79	9,61
	In total articulated		526	498	30	7,21
In t	In total Buses		1 267	1 161	110	8,59
_	38	Škoda 30Tr low-floow		* 1		0,88

4

40

21

13

3

21

0

***** 41

1

0

0

13

110

13,36

4,77

7,68

0,88

0,88

0

Midi Ikarus E91 low-floor

Solaris U BN 8,9LE

SOR BN 8,5 low-floor

In total standard

In total Trolley-buses

low-floor

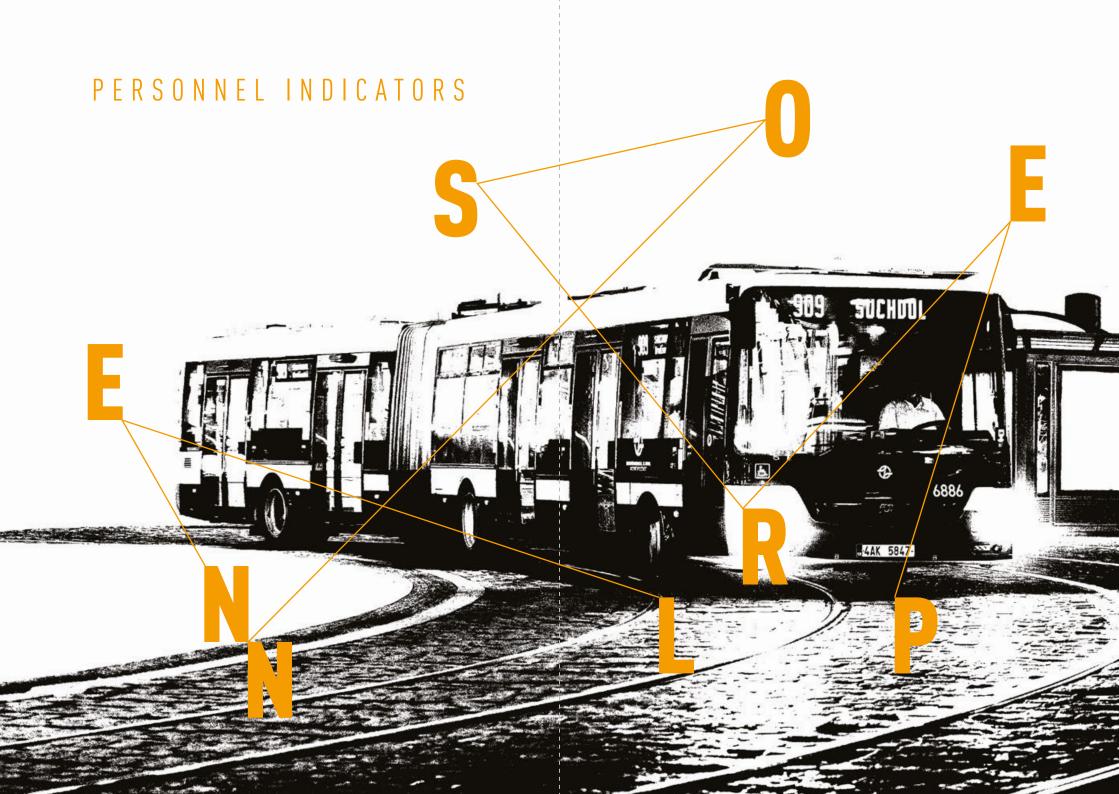
B 931

- * Two SOR NB18 buses are included, one SOR NS 12, one trolley-bus Škoda 30Tr and one Solaris U BN 8,9LE, which are not under lease, are not included to the record-keeping state.
- ** Put out of operation due to modernisation, reconstruction and liquidation; new and modernised vehicles not deployed yet.

As opposed to the **record-keeping state**, the **inventory** accounting state includes also the following types of vehicles: under reconstruction, under modernisation, intended for liquidation, at higher stage of repairs, for sale, etc.

The \dot{r} ecord-keeping operating state includes vehicles approved for operation with passengers within the PID system, including vehicles under repairs.

Note: Historic vehicles (including 6 trams driving within the PID system) and one touring bus, which is not intended for operation within the public transport, are not included in the overview.



NUMBER OF EMPLOYEES (record-keeping state as of 31. 12. 2018)

	Category		
Public transport drivers	Public transport drivers		
Of which:	M engine-drivers	666	
	T drivers	1 435	
	A drivers		
Manual workers		3 120	
POP		428	
Technical-economic emp	loyees (TH)	3 146	
Of which:	TH employees as per point 2.5.1 a) KS	1 014	
TH employees as per point 2.5.1 b) KS		2 132	
In total		10 986	

NUMBER OF EMPLOYEES BY PROFESSION IN 2018 (average converted state)

	Category	
Public transport driver	s	4 299
Of which:	M engine-drivers	660
	T drivers	1 430
	A drivers	2 209
Manual workers		3 124
POP		428
Technical-economic em	ployees (TH)	3 133
Of which:	TH employees as per point 2.5.1 a) KS	1 007
	TH employees as per point 2.5.1 b) KS	2 126
In total		10 984

The average converted record-keeping number of employees 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.



WAGE COSTS, INCLUDING OON IN CZK THOUSAND AND AVERAGE WAGE IN CZK IN 2018

Category	Wage costs incl. 00N in CZK thousand	Average wage in CZK
Public transport drivers	2 165 900	39 764
Manual workers	1 245 521	32 710
POP	161 149	29 999
Technical-economic employees (TH)	1 715 402	44 525
Total	5 287 972	38 735

STRUCTURE BY EDUCATION ACCORDING TO RECORDED STATE AS OF 31. 12. 2018

Education	In total	%
University	662	5,80
Secondary with a school-leaving exam	4 662	42,04
Secondary without a school-leaving exam	4 730	43,82
Elementary	932	8,34
Total	10 986	100,00

ECONOMIC INDICATORS

SHARE OF INDIVIDUAL TYPES OF COSTS IN THE PID'S TOTAL COSTS (in CZK thousand)

		%
Direct costs (incl. costs of transport routes)	13 553 291	81,45
Operating overhead costs	661 705	3,98
Costs of services	685 175	4,11
Costs of coordination and management	1 070 106	6,43
Other costs (museum, central dispatching management, dispatching system)	669 858	4,03
Total PID costs	16 640 135	100,00

STRUCTURE OF DIRECT PID COSTS WITHOUT TRANSPORT ROUTES (in CZK thousand)

Repairs of PID vehicles	3 037 327	31,10
Consumption of fuels, materials and traction energy	1 303 053	13,35
Personnel expenses for PID drivers	3 578 330	36,65
Depreciation of PID vehicles	1 643 689	16,83
Other direct costs for PID operation	201 911	2,07
Total PID direct costs (for transport operation)	9 764 310	100,00

SHARE OF PID OPERATING COSTS AND COSTS ON TRANSPORT ROUTES IN THE TOTAL PID COSTS (in CZK thousand)

		%
PID operating costs	12 851 154	77,23
Costs of transport routes	3 788 981	22,77
Total PID costs	16 640 135	100,00



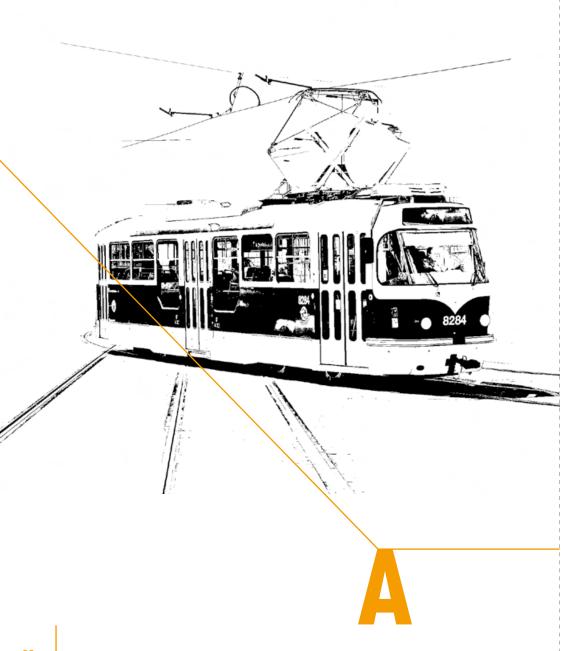
REVENUES FROM TRANSIT

REVENUES FROM FARE WITHIN THE FRAMEWORK OF THE PID SYSTEM IN 2018 (in CZK thousand)

Territory of the Capital City of Pr	ague (P+0 zone):		
- revenues from time-limited tickets and duplicates	tickets incl. fixed payments, employees	2 285 391	56,47
- revenues from individual fare	e, incl. USV machines	1 761 794	43,53
Territory of the Capital City of Pr	ague (P+0 zone) in total	4 047 185	100,00
External zones:			
- revenues from combined tim	ne-limited coupons	269 211	75,35
- revenues from individual fare	e incl. USV machines	88 067	24,65
External zones in total		357 278	100,00
Revenues from fare within PID s	ystem for 2018 in total	4 404 463	
	- revenues of DPP – HMP contract	3 694 421	
of which:	- revenues of DPP - suburban lines	55 296	
	- revenues of contractual carriers	654 746	
Revenues from fare within the P	ID system in 2018 in total	4 404 463	
Revenues from surcharges to far	re *	242 060	
Revenues from fare within the Pin 2018 in total	D system incl. surcharges to fare	4 646 523	

^{*} prescriptions of surcharges to fare for 2018

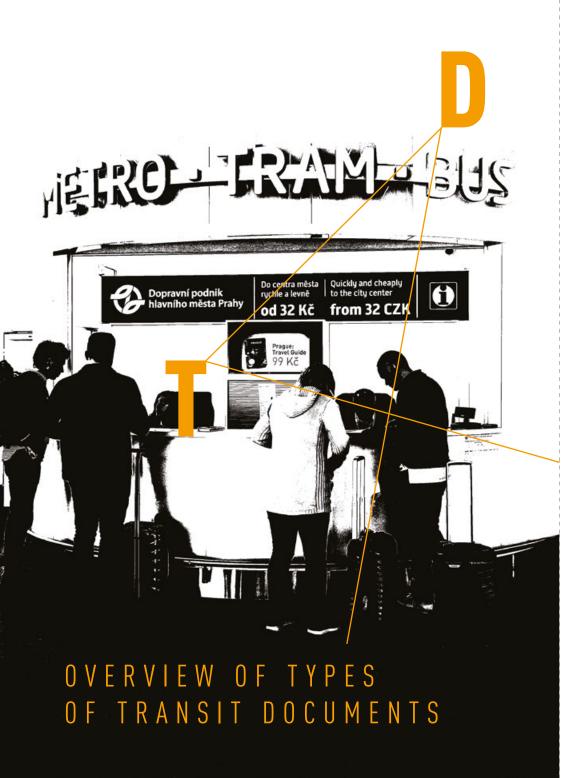
ASPECIAL PURPOSE GRANT



A SPECIAL-PURPOSE INVESTMENT GRANT FROM THE BUDGET OF THE CAPITAL CITY OF PRAGUE (in CZK thousand)

	Drawn from the budget of the Capital City of Prague	Drawn from the national budget	Drawn from the EU Structural funds
Regular grant from the budget of the Capital City of Prague			
I. operating section of metro D line	140 237		
Barrier-free measures	28 296		
Barrier-free access in the Karlovo náměstí station	964		
Comprehensive metro safety and security system	141 150		
TT Sídliště Barrandov – Holyně – Slivenec	17 129		
TT Divoká Šárka – Dědinská	17 559		
RTT Zenklova 4 (Elsnicovo nám. – U Kříže)	111 980		
RTT Sokolovská – Kolbenova (Poliklinika Vysočany – Nový Hloubětín)	44 443		
Revitalisation of Malostranské náměstí	3 000		
Construction of new depot in Hloubětín	0		
Regular grant from the budget of the Capital City of Prague in total	504 758	0	O
Operational Programme Praha – Growth Pole *			
Barrier-free access to the Palmovka metro station	8 294		11 849
Reconstruction of escalators 306 and 307 Palmovka/West, reconstruction of the vestibule and subway Palmovka/West	6 612		9 446
Reconstruction of escalators 171 and 172 Skalka	6 601		9 429
Reconstruction of escalators 271 to 273 AN/Anděl, reconstruction of the vestibule and subway	34 720		49 599
Reconstruction of the platform in the metro station Jinonice	8 439		12 056
Reconstruction of the metro station Skalka	14 154		20 220
Reconstruction of escalators 227 to 229 Náměstí Republiky/Kotva, reconstruction of the vestibule and subway	31 948		45 640
Reconstruction of escalators Palmovka/East, reg. no. 311 to 314	9 010		12 871
Modernisation of lightning in the Dejvická metro station	9 195		13 135
Modernisation of main ventilation in ventilation shafts of lines A, B, C, phase I.	6 906		9 866
Modernisation of main ventilation in ventilation shafts of lines A, B, C, phase II.	7 203		10 291
Operational Programme Praha – Growth Pole in total	143 082	0	204 402
Special purpose investment in total	647 840	0	204 402

^{*} The grant from the Operational Programme – Prague – Growth Pole of the CR was received in 2018 under retrofinancing regime, i.e. after the finalisation of the construction or comprehensive sets (related also to invoices from the previous years)



TIME-LIMITED COUPONS TO THE PREPAID TICKETS VALID IN THE TERRITORY OF THE CAPITAL CITY OF PRAGUE WITH A SELECTABLE START OF VALIDITY

Type of transit document		Price of ticket in CZK
Citizen time-limited coupons - discounted:		
	- 30-day	550,-
	- 90-day	1 480,-
	- 150-day	2 450,-
	- 365-day	3 650,-
Time-limited coupons discounted:		
For juniors from 15 to 18 years of age	- 30-day	130,-
	- 90-day	360,-
	- 365-day	1 280,-
For pupils and students from 18 to 26 years of age	- 30-day	130,-
	- 90-day	360,-
	- 365-day	1 280,-
For seniors from 60 to 65 years of age, for citizens	- 30-day	130,-
in financial distress *	- 90-day	360,-
	- 365-day	1 280,-

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 ticket in CZK
Citizens time-limited coupons – discounted:		
	- monthly	550,-
	- quarterly	1 480,-
	- 5-month	2 450,-
	- annual (from 1. 7. 2015)	3 650,-
Time-limited coupons – discounted:		
For juniors from 15 to 18 years of age	- monthly	130,-
	- quarterly	360,-
	- annual	1 280,-
For pupils and students from 18 to 26 years of age	- monthly	130,-
	- quarterly	360,-
	- annual	1 280,-
For seniors from 60 to 65 years age, for citizens	- monthly	130,-
in financial distress *	- quarterly	360,-
	- annual	1 280,-

^{*} For seniors from 65 to 70 years of age, who hold a Document proving the right for special fare prices (the price of electronic document is CZK 120 and the price of paper document is CZK 20), the price of fare for journeys through Prague (tariff zones P, 0 and B) is CZK 0.

TIME-LIMITED COUPONS TO THE NON-PERSONALISED CARD VALID IN THE TERRITORY OF THE CAPITAL CITY OF PRAGUE WITH A SELECTABLE START OF VALIDITY

Type of transit document	Price of ticket in CZK
Time-limited transferable coupons with a selectable start of validity:	
- monthly	670,-
- quarterly	1 880,-
- annual	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 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 ticket in CZK
- Annual for employees	50,-
- Annual for employees' family relatives	200,-
- Annual for pensioners	50,-
- Annual for pensioners' family members	200,-
- Coupon "PHA train"	2 130,-

TICKETS FOR A SINGLE JOURNEY IN THE TERRITORY OF THE CAPITAL CITY OF PRAGUE (P+0+B)

Type of transit document	Price of ticket in CZK
Transfer full-price tickets:	
- 30-minute	24,-
- 90-minute	32,-
- In case of purchase from a bus driver – 90-minute	40,-
Transfer discounted tickets:	
- 30-minute	12,-
- 90-minute	16,-
- In case of purchase from a bus driver – 90-minute	20,-
Pre-paid time-limited short-term tickets for public transport (P+0+B):	
- 24-hour full-price	110,-
- 24-hour for children from 6 to 15 years of age and holders of PID card for seniors	55,-
- 3-day full-price	310,-
Pre-paid time-limited short-term tickets for all zones: *	
- 24-hour Prague + zones 1, 2, 3, 4	160,-
- 24-hour System-wide	240,-

^{* 70%} share for the public transport

SPECIAL AE (AIRPORT EXPRESS) TICKETS

Type of transit document	Price of ticket in CZK
Full-time non-transfer	
- Hlavní nádraží (Main Station) – Airport	60,-
Discounted non-transfer for children from 6 to 15 years of age	
- Hlavní nádraží (Main Station) – Airport	30,-

COMBINED TIME-LIMITED COUPONS BUS+TRAIN TO THE PRE-PAID TRANSIT TICKET VALID WITHIN PID EXTERNAL ZONES WITH A PERSONAL CARD WITH A SELECTABLE START OF VALIDITY

Type of transit document	Price of ticket in CZK
Coupons for one external zone:	
- monthly citizen – discounted	300,-
- quarterly citizen – discounted	760,-
- annual	3 010,-
- monthly discounted for children, juniors, students and seniors	75,-
- quarterly discounted for children, juniors, students and seniors	190,-
- annual discounted for children, juniors, students and seniors	752,-
Coupons for two zones:	
- monthly citizen – discounted	460,-
- quarterly citizen – discounted	1 200,-
- annual	4 752,-
- monthly discounted for children, juniors, students and seniors	115,-
- quarterly discounted for children, juniors, students and seniors	300,-
- annual discounted for children, juniors, students and seniors	1 188,-
Coupons for three zones:	
- monthly citizen – discounted	700,-
- quarterly citizen – discounted	1 800,-
- annual	7 128,-
- monthly discounted for children, juniors, students and seniors	175,-
- quarterly discounted for children, juniors, students and seniors	450,-
- annual discounted for children, juniors, students and seniors	1 782,-
Coupons for four zones:	
- monthly citizen – discounted	920,-
- quarterly citizen – discounted	2 400,-
- annual	9 504,-
- monthly discounted for children, juniors, students and seniors	230,-
- quarterly discounted for children, juniors, students and seniors	600,-
- annual discounted for children, juniors, students and seniors	2 376,-
Kupony pro pět pásem:	
- monthly citizen – discounted	1 130,-
- quarterly citizen – discounted	3 000,-
- annual	11 880,-
- monthly discounted for children, juniors, students and seniors	282,-
- quarterly discounted for children, juniors, students and seniors	750,-
- annual discounted for children, juniors, students and seniors	2 970,-

oupons for six zones:	
- monthly citizen – discounted	1 350,-
- quarterly citizen – discounted	3 600,-
- annual	14 256,-
- monthly discounted for children, juniors, students and seniors	337,-
- quarterly discounted for children, juniors, students and seniors	900,-
- annual discounted for children, juniors, students and seniors	3 564,-
oupons for seven zones:	
- monthly citizen – discounted	1 560,-
- quarterly citizen – discounted	4 200,-
- annual	16 632,-
- monthly discounted for children, juniors, students and seniors	390,-
- quarterly discounted for children, juniors, students and seniors	1 050,-
- annual discounted for children, juniors, students and seniors	4 158,-
Coupons for eight zones:	
- monthly citizen – discounted	1 780,-
- quarterly citizen – discounted	4 800,-
- annual	19 008,-
- monthly discounted for children, juniors, students and seniors	445,-
- quarterly discounted for children, juniors, students and seniors	1 200,-
- annual discounted for children, juniors, students and seniors	4 752,-
oupons for nine zones:	
- monthly citizen – discounted	2 000,-
- quarterly citizen – discounted	5 400,-
- annual	21 384,-
- monthly discounted for children, juniors, students and seniors	500,-
- quarterly discounted for children, juniors, students and seniors	1 350,-
- annual discounted for children, juniors, students and seniors	5 346,-
Coupons for ten zones:	
- monthly citizen – discounted	2 220,-
- quarterly citizen – discounted	6 000,-
- annual	23 760,-
- monthly discounted for children, juniors, students and seniors	555,-
- quarterly discounted for children, juniors, students and seniors	1 500,-
- annual discounted for children, juniors, students and seniors	5 940,-

4 |

COMBINED TIME-LIMITED COUPONS BUS+TRAIN TO THE PRE-PAID TIME-LIMITED TRANSIT TICKET WITHIN PID EXTERNAL ZONES WITH A SELECTABLE START OF VALDITY

Type of transit document	Price of ticket in CZK
Coupons for one external zone:	
- 30-day citizen – discounted	300,-
- 90-day citizen – discounted	760,-
- 365-day	3 010,-
- 30-day discounted for children, juniors, students and seniors	75,-
- 90-day discounted for children, juniors, students and seniors	190,-
- 365-day discounted for children, juniors, students and seniors	752,-
Coupons for two zones:	
- 30-day citizen – discounted	460,-
- 90-day citizen – discounted	1 200,-
- 365-day	4 752,-
- 30-day discounted for children, juniors, students and seniors	115,-
- 90-day discounted for children, juniors, students and seniors	300,-
- 365-day discounted for children, juniors, students and seniors	1 188,-
Coupons for three zones:	
- 30-day citizen – discounted	700,-
- 90-day citizen – discounted	1 800,-
- 365-day	7 128,-
- 30-day discounted for children, juniors, students and seniors	175,-
- 90-day discounted for children, juniors, students and seniors	450,-
- 365-day discounted for children, juniors, students and seniors	1 782,-
Coupons for four zones:	
- 30-day citizen – discounted	920,-
- 90-day citizen – discounted	2 400,-
- 365-day	9 504,-
- 30-day discounted for children, juniors, students and seniors	230,-
- 90-day discounted for children, juniors, students and seniors	600,-
- 365-day discounted for children, juniors, students and seniors	2 376,-
Coupons for five zones:	
- 30-day citizen – discounted	1 130,-
- 90-day citizen – discounted	3 000,-
- 365-day	11 880,-
- 30-day discounted for children, juniors, students and seniors	282,-
- 90-day discounted for children, juniors, students and seniors	750,-
- 365-day discounted for children, juniors, students and seniors	2 970,-

Coupons for six zones:	
- 30-day citizen – discounted	1 350,-
- 90-day citizen – discounted	3 600,-
- 365-day	14 256,-
- 30-day discounted for children, juniors, students and seniors	337,-
- 90-day discounted for children, juniors, students and seniors	900,-
- 365-day discounted for children, juniors, students and seniors	3 564,-
Coupons for seven zones:	
- 30-day citizen – discounted	1 560,-
- 90-day citizen – discounted	4 200,-
- 365-day	16 632,-
- 30-day discounted for children, juniors, students and seniors	390,-
- 90-day discounted for children, juniors, students and seniors	1 050,-
- 365-day discounted for children, juniors, students and seniors	4 158,-
Coupons for eight zones:	
- 30-day citizen – discounted	1 780,-
- 90-day citizen – discounted	4 800,-
- 365-day	19 008,-
- 30-day discounted for children, juniors, students and seniors	445,-
- 90-day discounted for children, juniors, students and seniors	1 200,-
- 365-day discounted for children, juniors, students and seniors	4 752,-
Coupons for nine zones:	
- 30-day citizen – discounted	2 000,-
- 90-day citizen – discounted	5 400,-
- 365-day	21 384,-
- 30-day discounted for children, juniors, students and seniors	500,-
- 90-day discounted for children, juniors, students and seniors	1 350,-
- 365-day discounted for children, juniors, students and seniors	5 346,-
Coupons for ten zones:	
- 30-day citizen – discounted	2 220,-
- 90-day citizen – discounted	6 000,-
- 365-day	23 760,-
- 30-day discounted for children, juniors, students and seniors	555,-
- 90-day discounted for children, juniors, students and seniors	1 500,-
- 365-day discounted for children, juniors, students and seniors	5 940,-

37

TRANSIT TICKETS FOR A SINGLE JOURNEY WITHIN EXTERNAL ZONES

Type of transit document	Price of 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,-
- for 12 connected zones 330 min.	92,-
- for 13 connected zones 360 min.	100,-
Basic transfer tickets discounted for children, juniors, students, seniors:	
- for two connected zones 15 min.	3,-
- for two connected zones 30 min.	4,-
- for three connected zones 60 min.	6,-
- for four connected zones 90 min.	8,-
- for five connected zones 120 min.	10,-
- for six connected zones 150 min.	11,-
- for seven connected zones 180 min.	13,-
- for eight connected zones 210 min.	15,-
- for nine connected zones 240 min.	17,-
- for ten connected zones 270 min.	19,-
- for eleven connected zones 300 min.	21,-
Pre-paid time-limited short-term transit tickets for all zones:	
- 24-hour Prague + zones 1,2,3,4	160,-
- 24-hour Regional	150,-
- 24-hour System-wide	240,-
- 24-hour Regional discounted - children, juniors, students, seniors	37,-

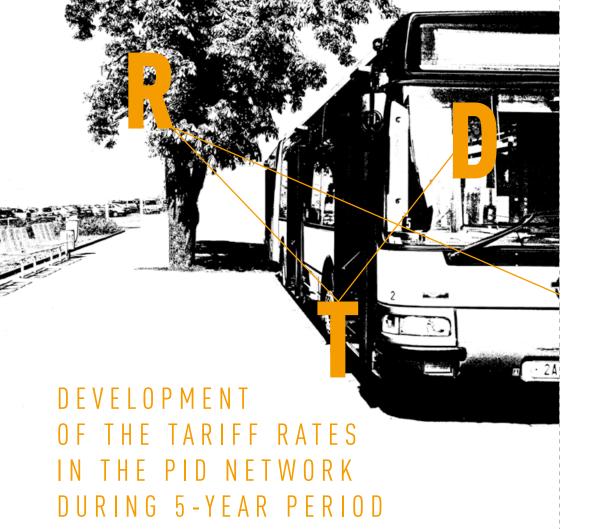
PRAGUE CARD

Type of transit document	Price of 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 corresponds to price according to the tariff) 	1 780,-
- 4-day for children and students *	1 300,-

^{*} The children/student card is valid for children from 6 to 16 years of age and for full-time students of up to 26 years of age.

The Prague card price includes the fare in the territory of the Capital City of Prague (P+0+B), on Airport Express line, ferries, entrance to 50 historic buildings, etc.





Notes:

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

A guardian of children under 3 years of age, if the child holds a special card - Children under 3 years of age or identity card, or passport, is transported for a special price of CZK 0. This does not apply to railways and AE.

Transport of dogs for free – passengers with a valid transit ticket for PID in the territory of Prague (P, 0 and B zones) or passengers having a right to transport for free in the territory of Prague do not pay a charge for dog. In external zones this applies only with a time-limited coupons.

The "Half Penalty" (Pokuta za půlku) measure applies in the testing mode from 23. 10. 2017 until further notice. Passengers, who have not presented a valid ticket during a transport inspection, can reduce their penalty from CZK 800 to CZK 400 if they, at the same time, purchase the annual citizen coupon at CZK 3,650 for the PID card or for "Lítačka" card with their personal data records in database.

PRE-PAID TIME-LIMITED CITIZEN TICKETS DISCOUNTED

In CZK

Type of transit document	2014	2015	2016	2017	2018
Time-limited citizen coupons - discounted:					
- 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/annual (from 1. 7. 2015 = CZK 3 650)	4 750	3 650	3 650	3 650	3 650

PRE-PAID TIME-LIMITED TICKETS DISCOUNTED

In CZK

Type of transit document	2014	2015	2016	2017	2018
For juniors from 15 to 19 years					15-18 years
- 30-day/monthly	260	260	260	260	130
- 90-day/quarterly	720	720	720	720	360
- 150-day/5-month	1 200	1 200	1 200	1 200	-
- 300-day/10-month	2 400	2 400	2 400	2 400	-
- 365-day/annual	-	-	-	-	1 280
or pupils and students from 19 to 26 yea	rs				18-26 years
- 30-day/monthly	260	260	260	260	130
- 90-day/quarterly	720	720	720	720	360
- 150-day/5-month	1 200	1 200	1 200	1 200	-
- 300-day/10-month	2 400	2 400	2 400	2 400	-
- 365-day/annual	-	-	-	-	1 280
For seniors from 60 to 70 years of age an	d for citizens i	for citizens in financial distress *			60-65 years
- 30-day/monthly	250	250	250	250	130
- 90-day/quarterly	660	660	660	660	360
- 150-day/5-month	1 100	1 100	1 100	1 100	-
- 365-day/annual	-	-	-	-	1 280

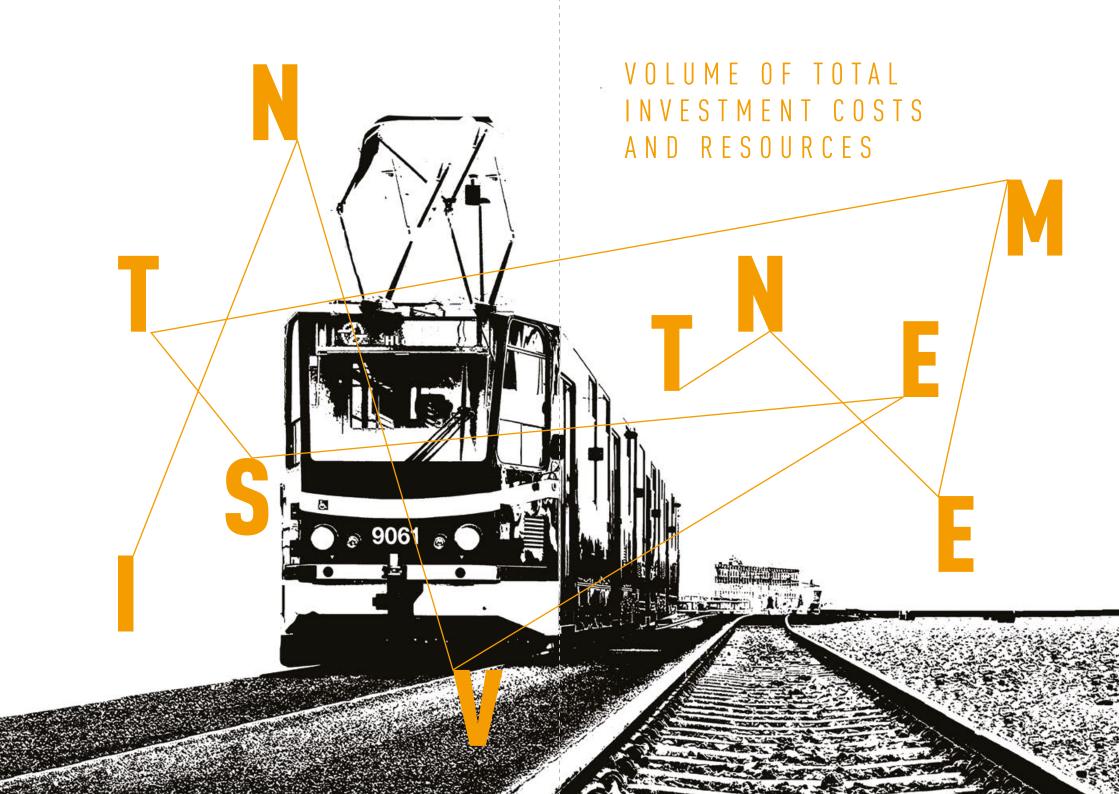
PRE-PAID TIME-LIMITED TICKETS – TRANSFERABLE WITH A SELECTABLE START OF VALIDITY

In CZK

Type of transit document	2014	2015	2016	2017	2018
Transferrable 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/annual	6 100	6 100	6 100	6 100	6 100

^{*} For seniors from 65 to 70 years of age who hold the "Document proving the entitlement to special fare prices" (the price of electronic document is CZK 120, the price of paper document is CZK 20), the fare price for journeys through Prague (tariff zones P, 0 a B) is CZK 0.

40 |



VOLUME OF TOTAL INVESTMENT COSTS IN 2018 (in CZK thousand)

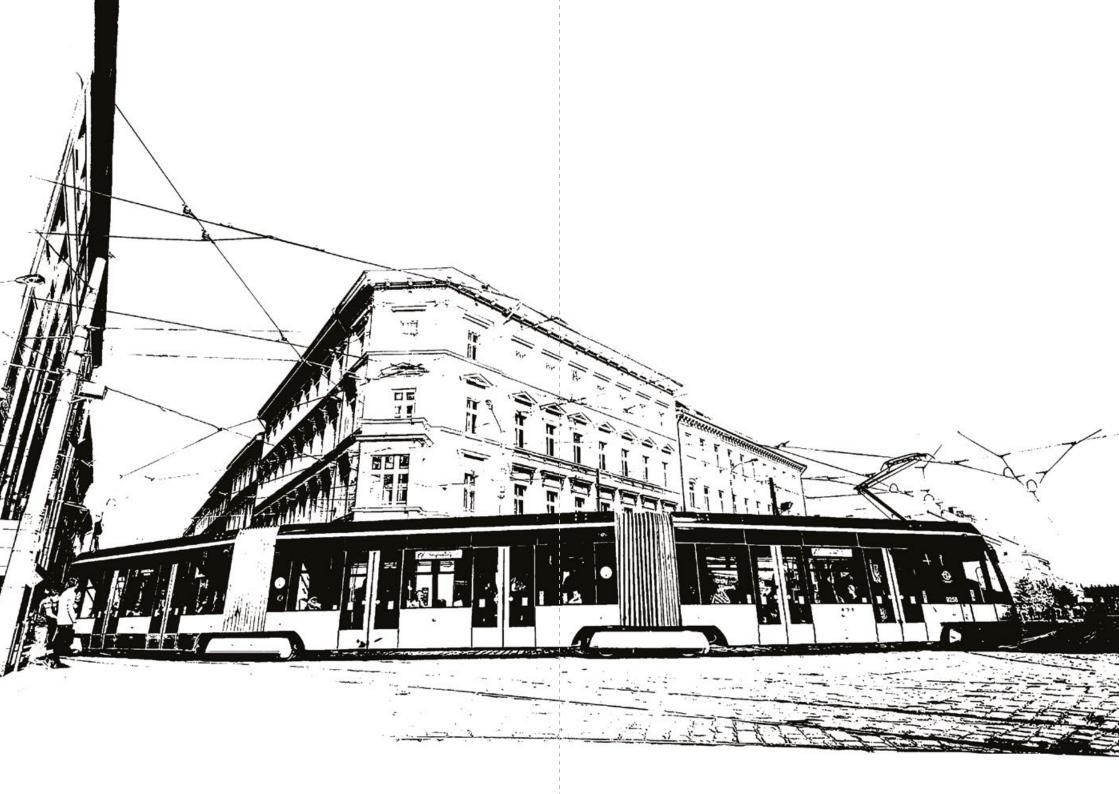
Investment metro construction	
Projects under construction	
Metro A line	6 239
Reconstruction of the platform at the Muzeum A metro station	64 462
Reconstruction of the Jinonice metro station	2 165
Reconstruction of the Opatov metro station	476
Reconstruction of the Skalka metro station	43 541
Reconstruction of the vestibule, subway and escalators at Palmovka West	239
Reconstruction of the vestibule, subway and escalators at Anděl	61 563
Reconstruction of the vestibule, subway and escalators at Karlovo nám./Resslova	103 584
Reconstruction of the vestibule, subway and escalators at Nám. Republiky/Kotva	221 219
Construction of a couple of escalators in the Nádraží Veleslavín metro station	26 021
Modernisation of the anti-chemical warning system	1 056
Projects under preparation	
I. operating section of metro D line	140 237
Investment metro construction in total	670 802
Other investment projects	
Replacement of escalators	66 937
Tram tracks construction	48 174
Tram tracks reconstruction	314 995
Cable routes reconstruction	8 036
Construction and reconstruction of substations	21 038
Depots and central workshops	114 796
Garages and parking areas	72 796
Metro security system	393 336
Other investment projects in total	1 040 108
Renovation of the company's fleet	
Trams	
Refurbishment of trams KT8D5 to KT8N2	13 393
Purchase of new trams	1 860 301
Purchase of new trams – instalment of the bill of exchange programme	800 000

Buses	
Purchase of buses – articulated low-floor	276 850
Purchase of buses – standard partially low-floor	43 863
Purchase of buses – standard low-floor	425 922
Purchase of electric buses	57
Other fleet	216 472
Fleet renovation in total	3 636 858
Other investments in technical facilities	697 490
Total volume of investment costs	6 045 258

VOLUME OF TOTAL INVESTMENT RESOURCES (in CZK thousand)

Investment metro construction	
Own investment resources in total	
Depreciation (incl. transfer of unspent depreciation of 2017)	3 802 683
Compensation (appropriate profit)	1 737 817
Other resources	
Grants from the budget of the Capital City of Prague	504 758
Total volume of investment resources	6 045 258

45



Prague Public Transit Company,

a joint-stock company

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