



JUNGFRAUBAHN HOLDING AG

# ANNUAL REPORT 2018







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# MANAGEMENT REPORT



# MANAGEMENT REPORT

## WELCOMING ADDRESS TO THE SHAREHOLDERS

### DEAR SHAREHOLDERS

Green light for the V-Cableway! The joy and relief were palpable when the decision of the Federal Office of Transport became final on 9 June 2018. At the end of May, we received the concessions and planning permission for the "Eigerexpress" tricable gondola lift, for the ten-person gondola Grindelwald-Männlichen, for the "Grindelwald Terminal" railway station, the conversion and expansion of the Eigergletscher railway station and the new parking garage. The additionally necessary decrees from the government officials of Interlaken-Oberhasli and the canton of Bern for zone adjustments, bridges, runways, etc. were also in place. Now the last remaining opponents have announced that they would waive their objection against the construction of the V-Cableway. After years of clarifications, the examination of variants and sub-variants, exhausting political disputes and a huge preliminary planning work, the construction work on the core elements of the V-Cableway could finally start on 11 June 2018.

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***«This project will create strategic advantages for generations, and it ties in with the pioneering spirit of Jungfrau Railway founder Adolf Guyer-Zeller.»***

***Prof. Dr. Thomas Bieger, Chairman of the Management Board and Urs Kessler, Chief Executive Officer***

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The Grund-Eiger Glacier Eigerexpress and the new Männlichen Railway, the main facility of our partner company Gondelbahn Grindelwald-Männlichen AG, form the "V", which gave the entire project the name "V-Cableway". The two high-performance cable cars will start out in the new Grindelwald Terminal tourist hub with shops, restaurants, a 1000-storey car park and direct connection to the network of the Bernese Oberland Railway. With a total investment of CHF 470 million (Jungfrau Railway Group CHF 320 million), we will be able to position the Jungfraujoch – Top of Europe and its surroundings as one of the most important mountain railway attractions and the most sought-after tourist and leisure brands in the world for generations to come. This fills us with pride and confidence. We will do everything we can to open the Männlichen Railway and station on 14 December 2019 as well as the Eigerexpress and the parking garage on 12 December 2020.





The V-Cableway project also includes major renovations in the rolling stock of the railways, which have already been implemented. Within the Group, the Eigerexpress creates valuable synergies by providing answers to strategic problems in the winter sports segment, in addition to the advantages for the Jungfrauoch. It is not only Jungfrauoch customers who will reach their destination more quickly. For winter sports enthusiasts, long waiting times in the valley will be a thing of the past. Journeys will be faster and more convenient. Skiers and snowboarders can enjoy the attractive descents into the valley every day. Increased attractiveness and excellent service with the best terminal in the Alps is the only permanent answer to the challenges in the highly competitive winter sports market.

The financial year 2018 was very successful. We achieved new visitor frequency and turnover records on the Jungfrau Railway, the Harder Railway, the Mürren Railway and the First Railway, and again more than one million guests visited Jungfrauoch – Top of Europe. In the Jungfrauoch – Top of Europe segment, this resulted in a net transport income of CHF 111.8 million with an average yield per guest of 1.8 per cent. Total sales grew for the first time to over CHF 200 million. The extremely pleasing group result for 2018 is CHF 47.8 million.

Business success raises the bar for future years. We are challenged to meet the constant high expectations of our company without unbearably burdening the environment and thereby reducing the genuine nature experience for our customers. In this context, we also see the new V-Cableway as an opportunity: In the future, we will be able to offer passengers greater ride comfort in less time and more flexibility in route selection. This will trigger individual, more flexible travel behaviour for the visitor and will thus open up new possibilities for smart guest guidance.



Overcrowding as well as traffic jams will be reduced and the capacity better utilised. Better utilisation of transport opens up prospects of increasing the annual number of visitors without straining the natural limits of sustainable use of the environment. From an environmental perspective, the success of this strategy is monitored, among other things, by the management of the UNESCO World Heritage Swiss Alps Jungfrau-Aletsch. A positive factor for future generations will also be that the V-Cableway will promote the use of public transport by connecting to the railway network. The overall project thus secures the long-term competitiveness of the region and the income of the population. The commitment to Lauterbrunnen and Grindelwald is backed up by a sustainability fund set up at the time of opening of the entire V-Cableway.



Our vision of sustainable development and the constant increase in convenience – which is essential for securing the price level – result in qualitative growth targets that continue to put our innovative strength to the test. New digital processes help us to accomplish these tasks. The projects are being driven forward by our innovative teams along with their trusted partners for the completion of the V-Cableway. In the design of integrated tourist offers and services, we have always been one of the first movers. At the start of the decade, we focused on bundling all tourism services into one digital shopping cart. We can take advantage of our experience in networking the most diverse partners and products. We will show the V-Cableway customers their own individual way of experiencing and enjoying the entire tourism service chain.



In our online annual report, in addition to the management report and our figures, we would like to show you the added value of the V-Cableway for the regional environment and its tourism partners, and – crucially – the benefits for our guests. Our report goes by the motto: “anticipation!” The construction of the V-Cableway underlines our role as the engine of the regional tourism industry. As a major employer and investor, we create value for our immediate environment. This in turn strengthens our regional roots, our Swissness and our international appeal.

Our business models are geared towards the needs of a national and international clientele searching for a unique mountain experience. With global appeal, we are perceived as a worthwhile destination. Thanks to our regional roots, we can meet the expectations of this clientele.



As an integrated tourism company, in keeping with our vision, we want to develop into a leisure company. Accordingly, we have expanded our activities along the value chain. On the Interlaken-Jungfrauoch intersection, the V-Cableway creates a route that complements the excursion and leisure offer with shopping and gastronomy from a single source. We are already operating the catering on Kleine Scheidegg by ourselves as a pilot operation. Further operations at Jungfrauoch and the new V-Cableway terminal in Grindelwald are to follow. In Interlaken, we have successfully tested the interplay of a travel information office, sales point and leisure shop. In 2019, this shopping and information zone will be expanded into a special “flagship store” as a starting point for the Jungfrau – Top of Europe experience.



The feedback from the markets and the reservation levels make us confident about the outlook for 2019. However, our experience from the past has also shown that the worldwide sale of a tourist offer can sometimes encounter unexpected obstacles. Terror attacks, political turmoil or economic turbulence affect the behaviour of international customers. Within the industry, price wars – primarily in China – continue to be relentless. We are concerned about the expansion of the direct travel flat rate offers in the tourism sector. The current trend has a distorting effect on competition and jeopardises the long-term balance of the tariff structure across Switzerland. The Jungfrau Railway Group is making this undesirable economic development public together with partner railways and is supporting the corrective efforts here. In our message, informing you of opportunities and risks, we will once again delve deeper into this complex but no less important topic.

We would like to take this opportunity to thank our employees for the outstanding performance and their daily, genuine hospitality towards our customers. We also thank our customers, the federal and cantonal authorities, the municipalities, the mountain communities, the tourism organisations, the neighbouring railways, the resellers, the suppliers, the International Hochalpine Research Station Foundation and all the other partners such as the hotel industry, with whom we should cultivate a fruitful collaboration. Finally, we would like to thank you, dear shareholders, for the trust in our Group and the loyalty you have shown to Jungfraubahn Holding AG.



Prof. Dr. Thomas Bieger  
Chairman of the Management  
Board



Urs Kessler  
Chief Executive Officer

## JUNGFRAUBAHN HOLDING AG IN BRIEF

### ACTIVITIES OF THE JUNGFRAU RAILWAY GROUP

The Jungfrau Railway Group is a leading tourism company and the largest mountain railway company in Switzerland. The most important offer is the journey on the spectacular railway to Jungfraujoch – Top of Europe, 3,454 metres above sea level. In the Asian markets, due to the development of the first distribution and agency network, it has achieved a leading position when it comes to visiting the glacier world of the Alps. The Jungfrau Railway Group also operates mountain railways on well-known Experience Mountains in the Jungfrau Region, winter sports facilities, a hydroelectric power station, restaurants, shops and parking facilities.

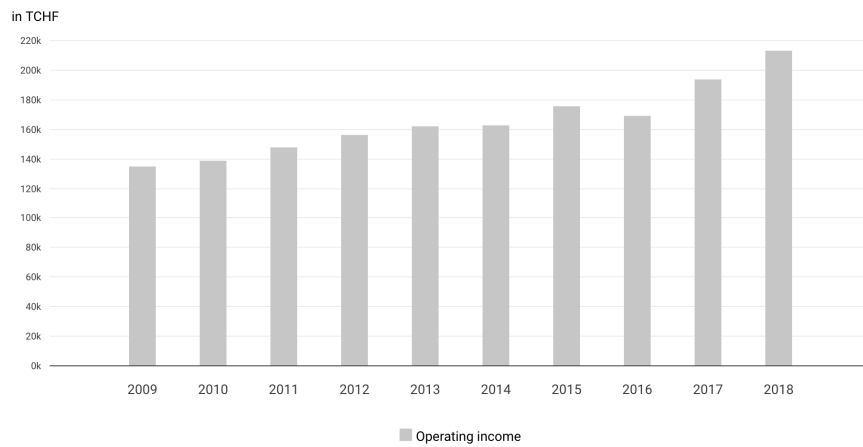


*Sphinx and Aletsch Glacier*

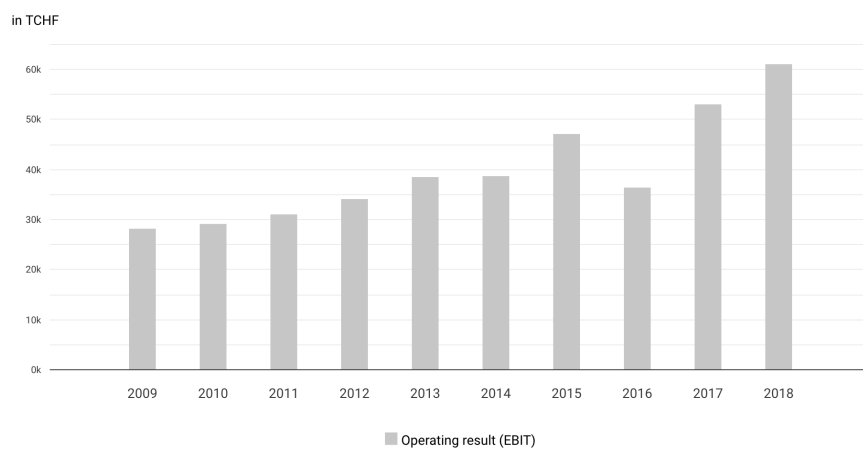
Focus on the customer is an element of sustainable orientation above all other guiding principles. The Group thus achieves an attractive positioning on the market for tourists and investors. We represent a significant regional economic factor and play a leading role in the tourism sector. In cooperation with other tourism companies, we promote the further development of the Jungfrau Region.



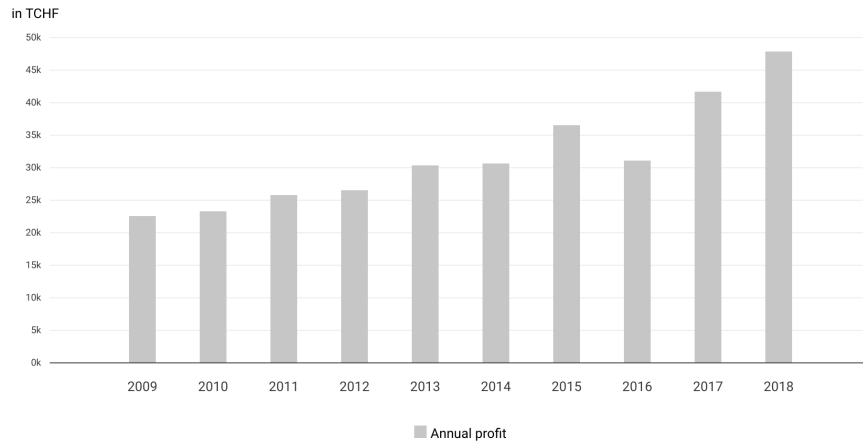
## Operating income



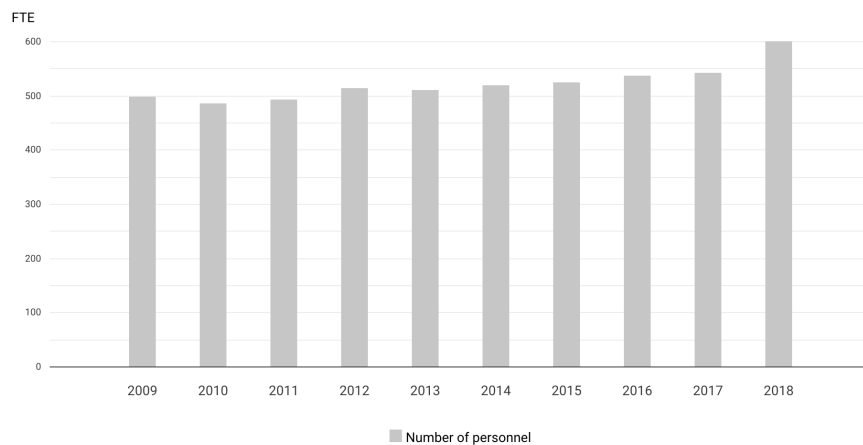
## Operating result (EBIT)



## Annual profit



## Number of personnel





## GOALS OF THE JUNGFRAU RAILWAY GROUP

As the leading tourism company in Switzerland and the largest mountain railway group, the Jungfrau Railways Group is developing as an integrated leisure and service company. At the same time, it focuses on

- its entrepreneurial tradition of more than 120 years,
- with the vision of its founder to make the unique Alpine landscape accessible to the wider population and international tourists,
- its sound foundation in the Jungfrau Region,
- its brand, service and technical competence developed over generations

It is the driving force behind the economic development of the Jungfrau Region and alpine tourism in Switzerland. It thus makes a significant contribution to the strengthening of this region. It takes into account the interests of the region and its residents, encourages its employees and looks after nature, which is an important resource for the development of the region as well as Jungfrau Railways. It should be preserved and accessible to future generations in keeping with the founder's vision. A prerequisite for this is to maintain economic independence and increase attractiveness for investors. The Jungfrau Railways Group attaches great importance to sustainability.

The objective is to strengthen the Jungfrauoch – Top of Europe as the main source of revenue. Internal growth is targeted through better utilisation of the off-season, moderate increase in transport capacities as well as through the integration of further services such as shopping, catering and soft adventure into the adventure chain. The V-Cableway project with the two new cableways and further integrated components (rolling stock renewals, public transport, car park, slope construction etc.) will secure the successful tourist future of the entire Jungfrau Region in the medium term as a top year-round destination for Swiss tourism. Primarily by shortening travel times and increasing travel comfort, the project strengthens the competitiveness of the Jungfrauoch as a beacon known worldwide, and it helps the winter sports destination reach the top position in international competition. The construction work on the new ten-person gondola Männlichen (opening 14 December 2019) and the new Eigerexpress tricable gondola (opening 12 December 2020) could be started on 11 June 2018.

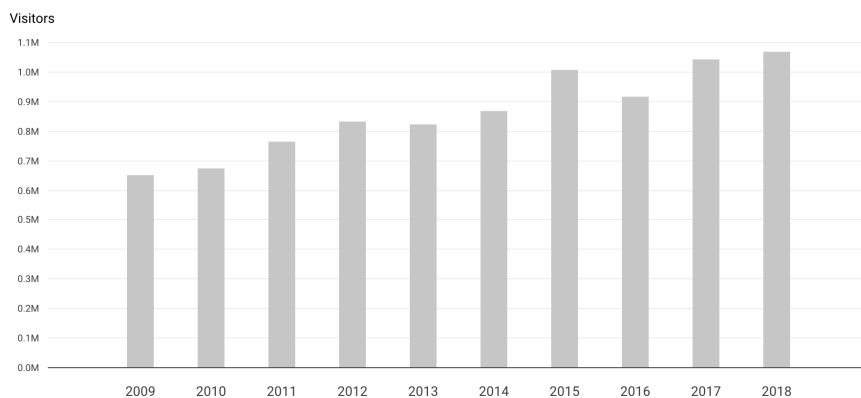
The strategic financial objectives of the Group reflect the orientation towards long-term goals and the policy of a value-based company (value stock). The key factors determining the financial planning of the Group are earnings targets and free cash flow targets. You can take this from our financial report.

## BUSINESS SEGMENTS OF THE JUNGFRAU RAILWAY GROUP

### Jungfrauoch – Top of Europe

The Jungfrauoch – Top of Europe is the most profitable segment of the Group. The core of this segment is the highest railway station in Europe at 3,454 metres above sea level, situated within the UNESCO World Heritage Site SWISS ALPS Jungfrau-Aletsch. The marketing of the trip with the Wengernalp Railway and the Jungfrau Railway to the Jungfrauoch – Top of Europe is the strategic heart of the company. In 2018, a new visitor record was achieved with 1,067,000 guests. After 2015 and 2017, the Top of Europe exceeded the magic mark of one million visitors for the third time.

### Jungfrauoch visitors

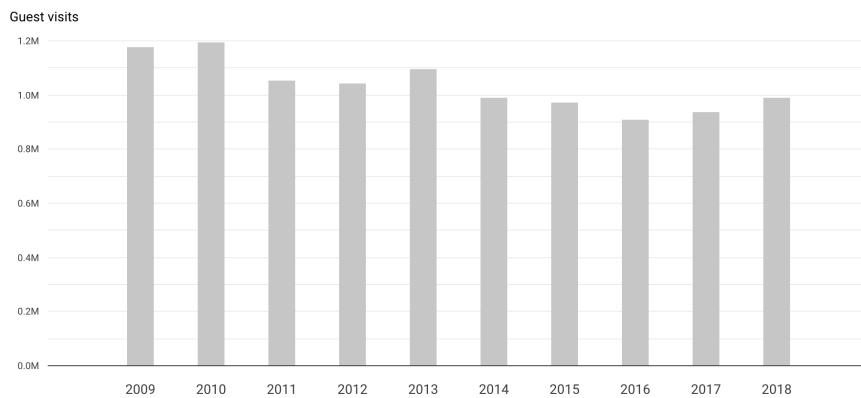




## Winter Sports

The winter sport facilities in the areas Kleine Scheidegg-Männlichen, Grindelwald-First and Mürren-Schilthorn are part of the JUNGFRAU Ski Region subscriber association, in which the Jungfrau Railway Group, because of the facilities it owns and operates, holds a share of over 60%. Together with the partner companies, the Group leads one of the most important ski resorts in Switzerland on behalf of the association.

### JUNGFRAU Ski Region guest visits

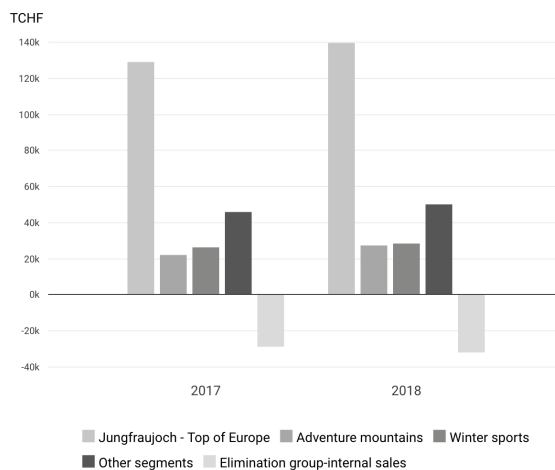


## Experience Mountains

The Experience Mountains segment includes destinations in the surrounding area of the Jungfrauoch – Top of Europe: Grindelwald-First – Top of Adventure, Harder Kulm – Top of Interlaken, and Winteregg-Mürren – Top of Family. These destinations enhance the regional experience and allow for interesting combinations such as holiday passes and cross marketing.

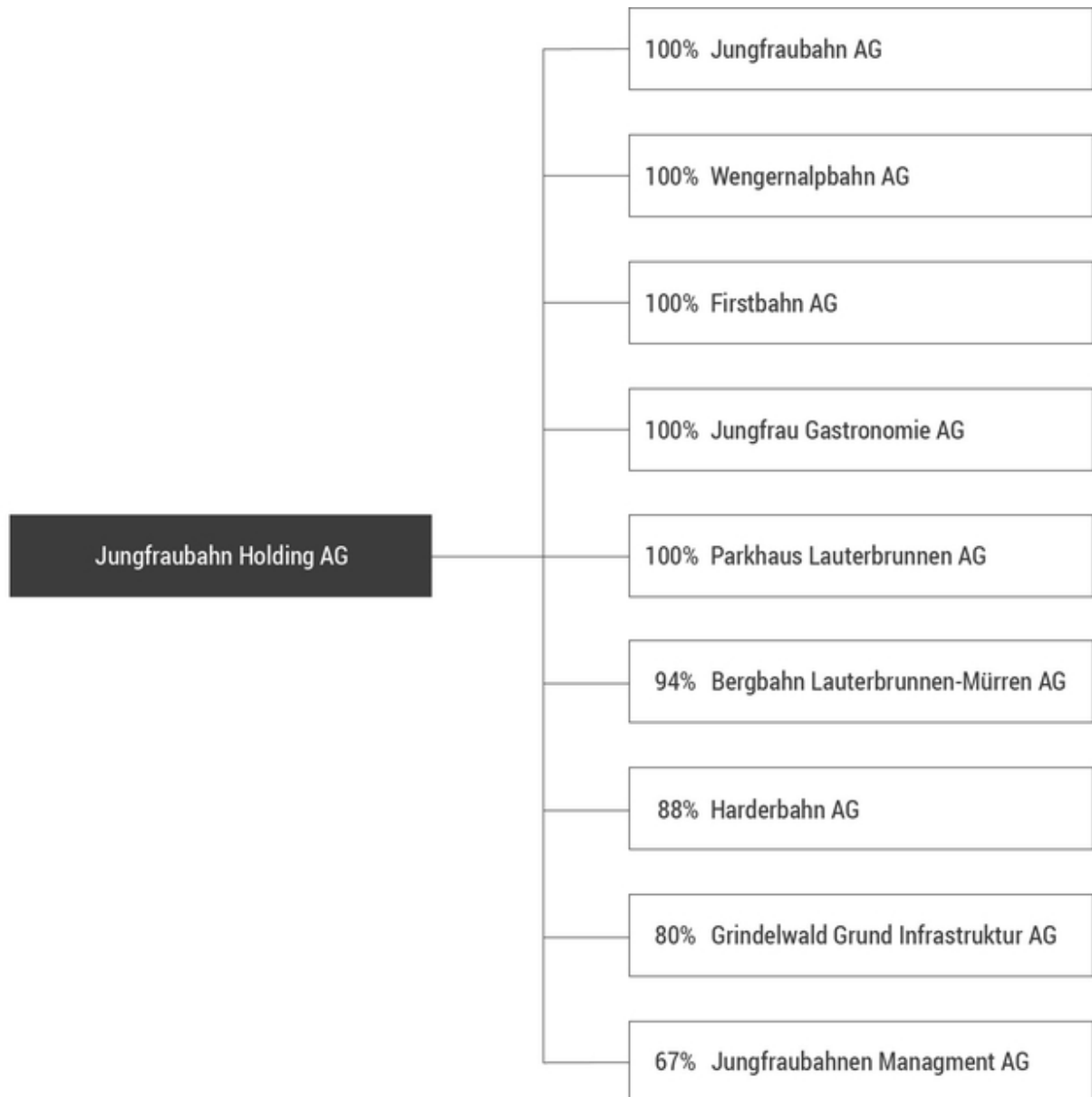
## Sales by segment

The amount of net sales provides information on the size of the business segments. “Other segments” comprise a wide range of services that support the business of the main segments internally and are also used by external customers. These include, for example, Jungfrauabahn Management AG, the power plant and the car park in Lauterbrunnen. The following compilation also includes the internal Group eliminations.





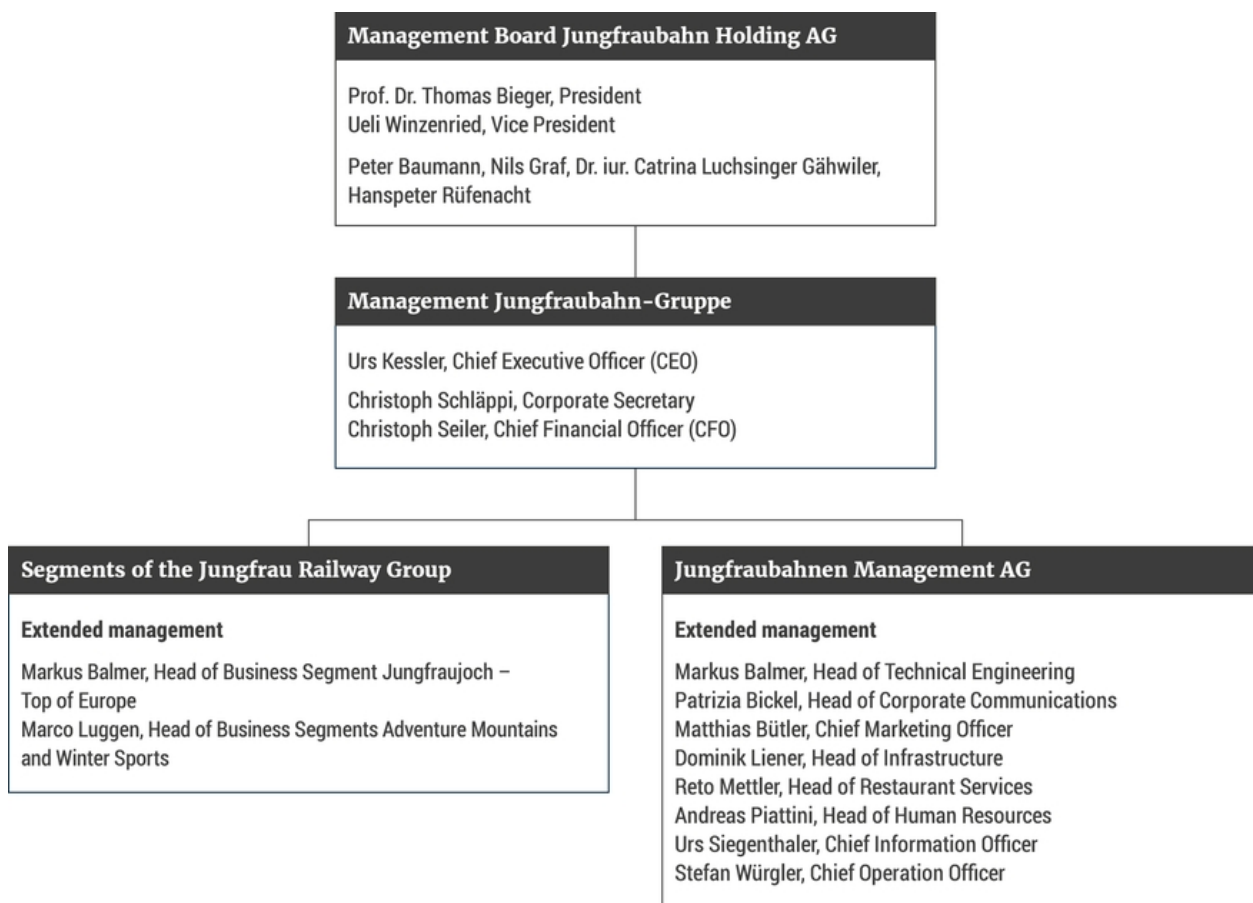
## THE HOLDING COMPANY



*Operating subsidiaries of the Group*

### Organisation

The Management Board of Jungfraubahn Holding AG is the top decision-making body of the Group. It is responsible for strategic planning for the entire Group and implements this within the scope of its legal and factual capacities at the subsidiaries. The Executive Board of the Jungfrau Railways Group is appointed in accordance with the provisions of the Management Board of Jungfraubahn Holding AG and in a framework approved by the general meeting of Jungfraubahn Holding AG for the total compensation by Jungfraubahnen Management AG.



The information on the staffing of the bodies is updated at the time of the drafting of the annual report (end of March 2019). Details and information on changes during the year 2018 can be found in the special points/personnel chapter and the corporate governance report.

### Key figures of the consolidated financial statements

CHF (thousands)	2018	2017	Change in per cent
Operating income	212,815	193,770	9.8%
Transportation revenues	153,833	143,799	7.0%
EBITDA	95,111	87,743	8.4%
EBITDA in % of operating income	44.7%	45.3%	-1.3%
EBIT	60,969	53,038	15.0%
EBIT in % of operating income	28.6%	27.4%	4.4%
Annual profit	47,826	41,601	15.0%
Return on sales (ROS)	22.5%	21.5%	4.7%
Free cash flow	16,305	33,837	-51.8%
Equity ratio	79.7%	81.6%	-2.3%
Headcount (full-time positions)	600	542	10.7%



**Jungfraubahn Holding AG (parent company)**

Jungfraubahn Holding AG is a holding company. Its business model is characterised by fiscal and financial policy considerations. The most important part of a profit plan is the financial statement. This includes the dividend payments of the subsidiaries and the internal interest income.

The investment income for 2018 amounts to CHF 16.6 million. The loans to the subsidiaries of CHF 101.7 million are subject to an interest rate of 1.0%. Together with the remaining financial income and the offsetting of the financial expenses, the financial statement closes at CHF 17.6 million. Earnings amount to CHF 16.7 million. The detailed financial statements with appendix can be found after the consolidated financial statements in the financial report. It is part of the authorisation request to the 2019 Annual General Meeting.

## JUNGFRAU RAILWAYS

The subsidiaries of Jungfraubahn Holding AG (JBH) cooperate closely with Berner Oberland-Bahnen AG (BOB). The cooperation is ensured by Jungfraubahnen Management AG (shares: JBH 67%, Berner Oberland-Bahnen AG 33%). The operating consortium benefits in particular from synergies in the area of management (joint Executive Board, similar management processes, optimal personnel use), marketing, information technology, railway and power engineering. Collectively, the companies involved act under the name “Jungfrau Railways” and under the registered trade mark “Jungfrau – Top of Europe”. Berner Oberland-Bahnen AG transferred its management to Jungfraubahnen Management AG under the terms of the mandate. This mandate is conducted in compliance with the interests of BOB and its independence in accordance with the requirements of the BOB Board of Directors and the regulations of the organisational regulations of Berner Oberland-Bahnen AG.



*Jungfrau Railways routes in red*

## MESSAGE FROM COMPANY MANAGEMENT

### OPPORTUNITIES AND RISKS

The Jungfrau Railway was built at the turn of the 20th century. Since its inauguration on 1 August 1912, the highest railway station in Europe has been located on the Jungfraujoch, at 3,454 metres above sea level – Top of Europe. Due to the unique mountain scenery of the Eiger, Mönch and Jungfrau as well as the touching construction history involving railway pioneer Adolf Guyer-Zeller, the journey on the Jungfrau Railway is a unique attraction in the Alps with a worldwide appeal.

The consistently high demand for tourism forms the basis for the global positioning and marketing of the Jungfraujoch – Top of Europe. UNWTO, the tourism organisation of the United Nations, puts the worldwide growth in arrivals at 6% in 2018. This is only a very slight decline on last year's record growth. The UNWTO also expects further growth of 3 to 4% for 2019. Viewed historically, with this somewhat more moderate rate, tourism is moving in a positive trend [10].

#### [10]

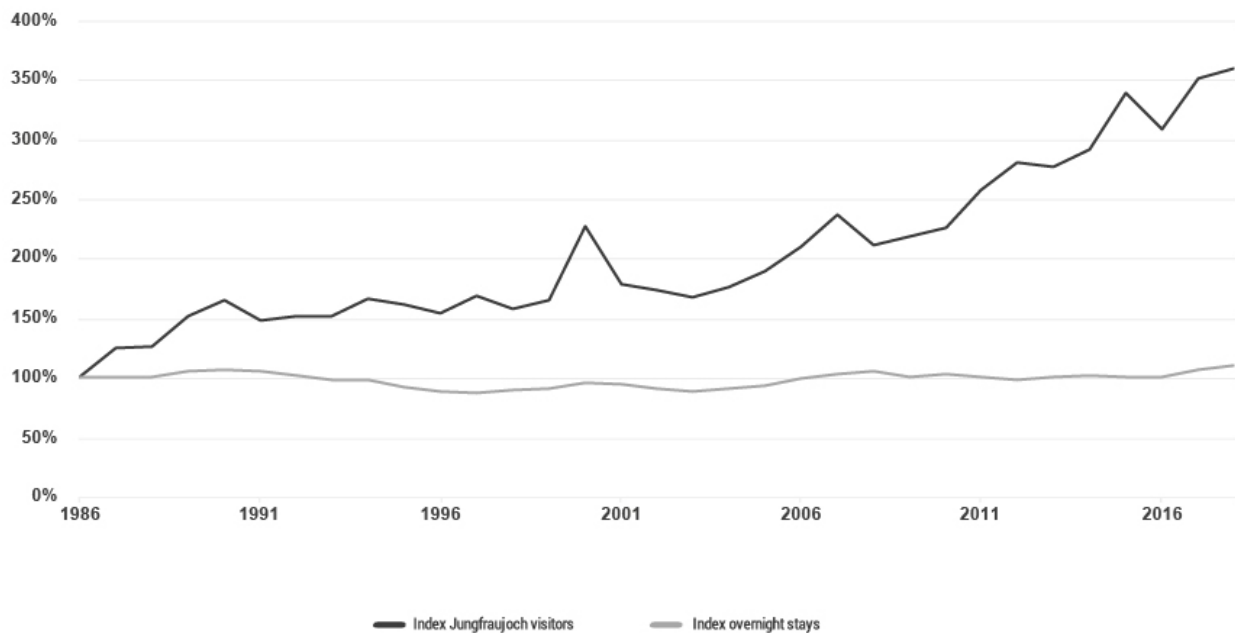
UNWTO World Tourism Barometer, Volume 17 - Advance Release January 2019

Arrivals in Switzerland increased by 3.7% in 2018 [11]. By contrast, visitor numbers from Asia are showing a positive trend and an above-average figure of more than 10% coming from the USA to Switzerland. In the field of individual travellers, this market is one of the most important for the Jungfrau Railway. India is an important market for the Jungfraujoch that has also developed positively with an increase of 10%. The number of visitors to the Jungfraujoch has responded to this development in demand potential. The number of visitors from the previous year grew by 2.4%. In 2018, for the third time more than one million guests visited the highest railway station in Europe. The study over several years shows that the Jungfrau Railway has been able to disproportionately tap into the potential of international tourists staying in Switzerland.

#### [11]

Federal Statistical Office





*Benchmark for Jungfrau visitors and overnight stays for Switzerland indexed*

As a pioneer on the Asian markets, the Jungfrau Railways Group already recognised the potential of Asia decades ago. The entire Jungfrau Region also benefited from this. Today, the broad anchorage in Germany, in Europe and in various countries and economic areas in Asia protects against excessive demand fluctuations (volatility of the tourism industry). In addition to the growth markets of China and India, other pillars such as Japan and Korea as well as South East Asia in general are having a stabilising effect. The variety of offers from the Jungfrau Railway Group increasingly plays a balancing role. With the Experience Mountains, the complementary segment in the summer business, customers with a smaller travel budget can be targeted or the excursion to the Jungfrauoch can be meaningfully supplemented in the context of an extended stay (cross-marketing). The Experience Mountains also achieved record results in 2018, which is attributable to a significant increase in demand among young international guests and families from all over the world. By designing the experience with gentle adventure offers, through a special furnishing of the outdoor space with, for example, adventure paths that are easily accessible and walkable without special physical skills, a special vantage platform or a well-maintained playground, the offer manages to meet the needs of these guests. At the centre of this service are employees who maintain and clean the facilities, provide instruction and help in an emergency. New jobs in direct customer service are created as a basis and opportunity for a region that is also lively in the summer with hospitable charm. In recent years, the First Railway has thereby created 15 new jobs in the field of Soft Adventure.

In the strategic risk analysis, the opportunities arising from the unique position of the Jungfrauoch and the special reputation of Switzerland and the hospitable charm of the localities contrast with the risks typical of the tourism business. Demand is dependent on currency fluctuations, geopolitical security and terror threats. Long-lasting bad weather and major storms diminish the turnover, whereas good weather periods increase it.

Due to overcapacity in its own ranks, driven by a subsidy policy in all Alpine regions and the global offer of alternative leisure facilities, the mountain railway industry is facing increasing price pressure. We are concerned about the expansion of the direct travel flat rate offers in the tourism sector. The General Abonnement (GA) and Half-Fare Card are a Swiss achievement. However, the traffic revenues generated from the flat-rate subscriptions and other income of transport companies are not enough to finance the broad public transport supply in its entirety. To this end, the system relies on compensation from the federal government and the canton. In contrast, touristic excursion traffic works differently, at least so far. This is based on revenue models that cover their costs and are often even profitable. By joining mountain railways to the Swiss Travel Pass tourist package subscription, these revenue models become seriously competitive, however. An initial attempt by the industry to correct this threatening market distortion in an immediate and straightforward manner was thwarted by the Federal Office of Transport due to an unexpected interference in the fare autonomy of the transport companies. The Jungfrau Railway Group is pursuing a dual strategy in this situation: It supports direct transport in the efforts to regain fare autonomy in court or by negotiation and then to implement a solution with economic autonomy and independence of the mountain railways. On the other hand, it makes an application for membership of the flat-rate subscription together with the requirement that it be granted a share of the revenue pool proportionate to its position and performance in the international market. In doing so, we are ensuring that the Jungfrau Railway is not sidelined on a tariff basis, despite the uncertain outcome of the current transport policy discussions.

The time required or time loss is an important quality factor in the modern tourism industry. Experienced travellers appreciate long transfers without any experience value as little as skiers appreciate long queues in front of the valley station where they will spend a valuable part of their skiing holiday. Speed, capacities and optimum utilisation are therefore among the production factors that represent a weakness of the mountain railways from the pioneer days. The Jungfrau Railways Group is paying particular attention to this area. Ongoing improvements could be achieved, for example, by more powerful traction units, by track upgrades on the Wengernalp Railway or by a sophisticated reservation system on the Jungfrau Railway. Another advantage in terms of comfort is the realization of the V-Cableway. This major project will secure the medium- and long-term successful future of tourism throughout the entire Jungfrau Region as a vital year-round destination in Swiss tourism. This project is presented separately in detail in the management report.

## THE JUNGFRAU RAILWAY GROUP BECOMES AN INTEGRATED LEISURE AND SERVICE COMPANY

In order to protect itself against the volatility of the tourism industry, Jungfraubahn Holding AG has developed particular strengths: this is based on the high level of self-financing amounting to 79.7%. The financing of the ongoing major investment in the V-Cableway is designed and planned in such a way that this value will only temporarily decrease by a maximum of 10 percentage points. In addition to minimising borrowed capital, stability also guarantees broad support in three different segments and lucrative secondary activities such as electricity production, gastronomy and shopping. The portfolio is continually designed in such a way that the diversified businesses are mutually intertwined with one another and have a smoothing effect on the overall result with regard to short-term trends and dips.

To take advantage of the potential demand, the Jungfrau Railway Group has developed brand management and distribution via tour operators into a key area. This also includes cooperation with important partners from the industry such as Switzerland Tourism, BE! Tourismus AG, Jungfrau Region Tourismus AG and Interlaken Tourismus (TOI) as well as trade and industry such as the Swatch Group, Coop, ABB and Lindt & Sprüngli.

Awareness of the Jungfrauoch – Top of Europe is promoted by prominent guests. In 2018, golf star Rory McIlroy paid a visit to the glacier world. Setting the stage for such visits creates stories that are told around the world and accordingly guarantees a high media presence. The visit of delegations who want to familiarise themselves with the Jungfrau Region for travel reports or for preparing travel arrangements (“familiarisation trips” or “fam-trips”) are supported and supervised by the Jungfrau Railways sales team on a daily basis. Our own representatives in various Asian cities support the contacts and the distribution of Jungfraubahn Railways products. They ensure that they are included in the tour operator programmes or in catalogues. The [jungfrau.ch](http://jungfrau.ch) website, which invites visitors to make plans and dreams, is aimed at individual travellers who also want to book their holidays and excursions directly online, and potential group travellers who will find out about Jungfrauoch – Top of Europe at their travel agency. Due to the fact that more and more people are travelling individually, global online sales are gaining in importance. The IT systems of Jungfrau Railways have been designed for this requirement and the development continues in this area.

The demand for tourist services that offer a great variety of experiences in the shortest possible time is growing. Therefore, the integration of the service chain is becoming increasingly important. Through coordinated services and ordering procedures, for both the tour operator and the individual traveller, the planning as well as the carefree experience can be made easier and demand steered. Combined offers and packages allow attractive pricing. In this environment, the mountain railway can no longer only focus on the provision of transport services. The Jungfrau Railways Group is very well positioned to sell combined services through its various segments, the diversity of the Experience Mountains it has developed, and its close ties with the rest of the region's service providers. The online system was designed several years ago, in order to combine various providers into one shopping cart and to navigate various user platforms.

The Management Board and Executive Board have explicitly decided to continue developing the Jungfrau Railway Group in this direction, with the aim of making it an integrated leisure and service company in the longer term. The Jungfrauoch – Top of Europe business segment is currently increasing the incorporation of catering. Instead of self-employed entrepreneurs who rent the restaurants from Jungfrau Railways, a newly founded

subsidiary is taking over the catering businesses. On Kleine Scheidegg the change was completed at the end of 2017. This will take place at Jungfrauoch at the end of the summer season 2019. In the V-Cableway terminal, a logistically optimally located central kitchen is being built to increase catering efficiency in the area of our main business.

Another focus area is shopping, which is already an integral part of the Group's offer. This expands the presence along the tourist axes and the tourist "hot spots", and the range is also increased. A new shop has already been opened on Höhweg in Interlaken. It is proving itself and is being expanded. In the V-Cableway terminal, a large area is dedicated to shopping. Most of the shops are operated on their own or by proven partners.

Greater integration along the tourism value chain is also possible by involving and coordinating partner companies, whether as a direct service provider or as a supplier. The offer can thus be strengthened without having to build additional core competencies such as sports equipment rental or accommodation. However, for the integration of several service providers in real time, efficient data transmission and data processing are essential. The digitisation of tourist services is therefore given special attention. IT has been upgraded internally and as of 2018 has its own department. It is therefore equivalent to marketing and technology in terms of organisation.

As an integrated tourism company, the Jungfrau Railway Group is a major driver of the economic development in the region and of alpine tourism in Switzerland. It makes a significant contribution to the strengthening of the Jungfrau Region. It takes into account the interests of the locals, encourages its employees and looks after nature, which is an important resource for the tourism industry. Nature should be preserved and accessible to future generations in keeping with the Jungfraubahn founder's vision. The stakeholder approach of the Jungfrau Railways Group results in a veritable engine of tourism development: the activity of the Jungfrau Railways helps to strengthen retail, trade, agriculture and local infrastructure, and it establishes a basis upon which the hotel industry can continuously renew itself. This has a positive effect on the attractiveness of the overall offer and thus on the international aura of the Jungfrau Region. Potential demand emerges here, from which the Jungfrau Railways Group draws value, which in turn strengthens the local anchoring through consolidated partnerships, taxes, wage payments and investments.



## ATTRACTIVENESS AND PRODUCTIVITY

To capitalise on the potential demand, price levels and costs must be kept low. Only in this way can the positive operating results be achieved and the desired cash flows generated, which can be reinvested to strengthen the company and distributed in the sense of a value stock. The funds, which are targeted at enhancing attractiveness and productivity, create a cycle that increases the company's value in terms of future earnings potential.

The outstanding project in this context is the V-Cableway. The planned investment volume for the entire project amounts to CHF 470 million (Jungfrau Railway Group CHF 320 million). Out of the CHF 320 million, CHF 160 million has already been spent on new trains and on the main components of the project under construction since the summer of 2018. The tricable gondola Eiger Express that is under construction will improve attractiveness and productivity. The investment allows for faster and more comfortable travel while simultaneously reducing maintenance and operating costs per passenger. With the opening of the cable car, the connecting trains to the Jungfraujoch will operate in a simpler circulation, which reduces the rolling stock requirement and the number of transport service trips by 25%. The existing infrastructures are relieved of daily peaks and intersecting streams of visitors. This results in increased convenience and daily output without fundamental adjustments to the basic substance of Kleine Scheidegg and Jungfraujoch.

## OBJECTIVES / EXPECTATIONS AND MEASUREMENTS

The board has set itself the goal of maintaining high season visitor numbers in the longer term. There is a potential for increase in the better utilisation of the off-season. This goal is summed up by CEO Urs Kessler in the slogan "12 months of high season". In winter sports, the goal is to achieve the strongest visitor numbers from the previous decade again. This is the basis for the comfort area of the infrastructure after the construction of the V-Cableway. In addition, sales growth will result from a price level that is adapted to the increasing attractiveness and an expansion of the value creation chain. Within the scope of the utilisation of existing skills, a significant increase in shopping sales is the target.

When assessing the achievement of the objectives, the traffic revenues of the railways and the revenues of the ancillary businesses are important parameters. The average revenue per visitor and the utilisation of resources can be calculated based on the reported frequencies and the seat kilometres produced. With these methods, marketing can be used to optimise margins and production (yield pricing). Our financial targets are based on our minimum expectations of operational return (productivity) and investment success.

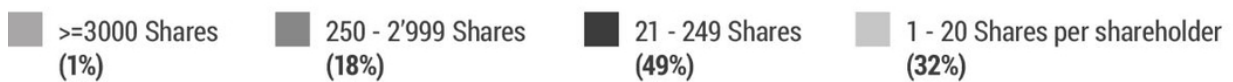
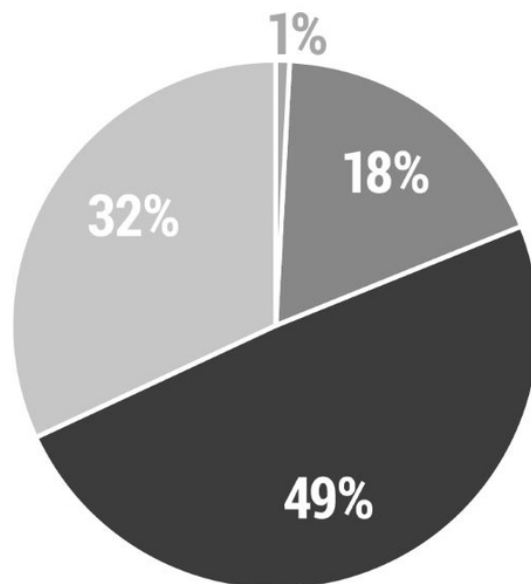
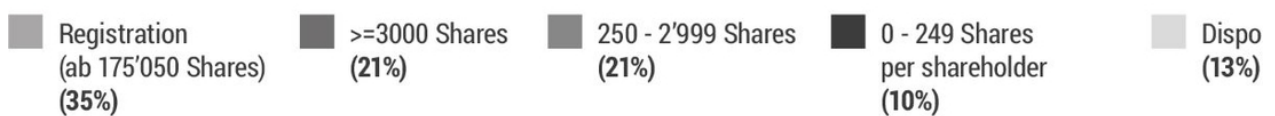
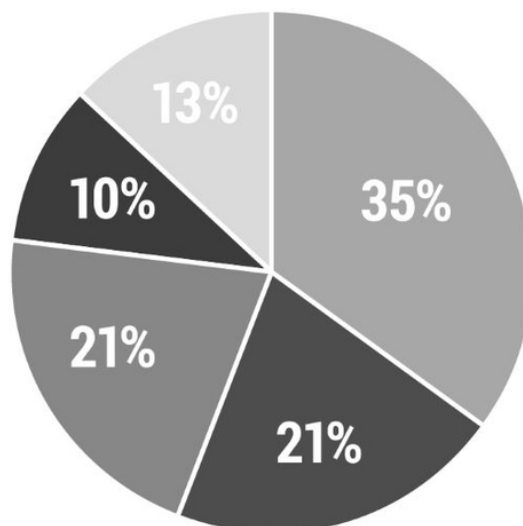
An ambitious free cash flow target in times of high investments underlines our desire to create value for the company and its shareholders. Here we find ourselves in the contentious area of the definition of suitable financial targets. These must ensure that the Jungfrau Railway Group is attractive to investors while at the same time providing sufficient funds for investment. Even after the V-Cableway, the Jungfrau Railway Group must be able to invest in the company and the region, in view of ever-increasing international competition.

**SPECIAL****SHAREHOLDER RELATIONS**

The shares of Jungfraubahn Holding AG are listed on the SIX swiss reporting standard (JFN ISIN CH0017875789). The share is managed as a book-entry security. Issued certificates are replaced by value rights upon delivery. No new share certificates will be issued.

Shareholders were able to visit Harder Kulm in 2018. A total of 1761 shareholders took up this offer and were able to see for themselves the significance of this excursion mountain for Interlaken. The Harder has the same meaning for Interlaken as the Eiffel Tower has for the city of Paris. In 2019, the offer consists of a trip for CHF 50, either from Lauterbrunnen or Grindelwald to the Jungfrauoch. This is an opportunity to see how far the construction of the new Eigergletscher station of the V-Cableway has already progressed and to soak in the spectacular landscape of the Top of Europe. The annual shareholder offer is not a natural dividend. Jungfrau Railways also regards its shareholders as ambassadors. They are encouraged to get to know their company from the customer's point of view.

A shareholder club was established for all shareholders holding 250 shares or more. Membership is automatic for those with at least 250 shares in Jungfraubahn Holding AG in the share register on the cut-off date (next date: 1 October 2019). The great trust of the shareholders in our company is rewarded with special conditions, which are announced online.

**Shareholder structure (quantity)****Shareholder structure (share of capital)**



## V-CABLEWAY

The V-Cableway project is a joint venture of Jungfraubahn AG, Wengernalpbahn AG, Gondelbahn Grindelwald-Männlichen AG, Berner Oberland-Bahnen AG and Grindelwald Grund Infrastruktur AG. From a common terminal in Grindelwald Grund, a new tricable gondola "Eigerexpress" runs to the Eiger Glacier in 15 minutes and a ten-person gondola runs to Männlichen. The Grindelwald Terminal of the Bernese Oberland Railway gives the V-Cableway a connection to the national railway network. The route of the tricable gondola guarantees a unique view of the world-famous Eiger north face. The travel times to Jungfrauoch and the ski area will be significantly shortened by up to 47 minutes.

On 11 June 2018, construction work on the core elements of the V-Cableway was started. The official ground-breaking ceremony was held on 3 July 2018 in Grindelwald, where the new terminal and parking garage are being constructed. As a result of the ongoing optimal weather conditions, important construction progress was made, especially in the months of July to November 2018. The shell construction of the platform system for the Terminal Grindelwald station was completed at the end of the year. By the end of November, the prefabricated elements of the passenger underpass were installed. At the Grindelwald-Männlichen cableway and tricable gondola Eigerexpress stations, the expansion shafts have been completed and the shell of the new base stations was added. In addition, three of the seven columns have been completed on the route of the Eigerexpress. In order to provide the best possible support for the challenging construction work for the new tricable gondola in this area, a material cableway was built from Salzegg to the Eiger Glacier.



On 18 December 2018, the first spectacular heavy transport of the V-Cableway took place. A new transformer for the power supply of Grindelwald with a transport weight of 42 tonnes was delivered. The installation work began in the basement of the future Männlichen Railway valley station. After extensive cable work, this will be switched on in the spring of 2019. The old transformer station, which stands in the way of the parking garage, can then be dismantled.

The shell construction (floor slab and walls) for the connecting passage between the railway station and the cable cars for the north section of the terminal continued in winter. The erosion of the Eiger glacier for the extension of the station Jungfraubahn and the new construction of the Eigerexpress mountain station continued in spite of the cold and snow.

### **Impressions constructions sites V-Cableway**



With the start of construction of the V-Cableway, the great economic significance of the project for the Jungfrau Region is immediately apparent. At the end of the year, a total of 220 workers (planners & construction workers) were working on the V-Cableway. Orders totalling CHF 100.5 million have already been granted to companies from the Bernese Oberland. This corresponds to 95% of the order amount in 2018. Of the 36 companies currently commissioned, 26 are from the region. The main target for 2019 will be the completion of the new Grindelwald-Männlichen cableway and the opening of the first part of the Grindelwald terminal as well as the Grindelwald public transport station on 14 December 2019. With the opening of the new Grindelwald-Männlichen cableway, our guests will enjoy the first-time savings with a reduction from 30 to 19 minutes. Other important project advancements in 2019 will be the completion of pillars 4 to 7 on the Eigerexpress route and the assembly of the valley station for the new tricable gondola. This will commence regular operation on 12 December 2020.



The marketing of the new railways is already in full swing. The remaining time is shown by the four publicly placed Tissot Countdown Clocks, which are counting down the days, hours and seconds to the opening.

The investments for the V-Cableway generation project amount to a total of CHF 470 million, of which CHF 320 million is borne by the Jungfrau Railway Group. These investments can be made through our own financial resources and bank loans in the amount of approximately CHF 60 million. To show the importance and scope of this project, some numbers are listed below. These relate to the completion of the entire project in December 2020.

### Facts & Figures V-Cableway

	V-Cableway project with terminal and car park	Tricable gondola Eigerexpress	Gondelbahn Grindelwald-Männlichen
<b>Amount in m3 of built-in concrete</b>	<b>40,000 m3</b>		
<b>Total excavation in m3</b>	<b>110,000 m3</b>		
<b>Number of tonnes of steel used</b>		<b>310.2 tonnes</b>	<b>328 tonnes</b>
<b>Total weight of steel ropes</b>		<b>700 tonnes</b>	<b>124 tonnes</b>
Weight towing cable		168 tonnes	
Weight supporting cable		532 tonnes	
<b>Total length of steel ropes</b>		<b>41,324 m</b>	<b>12,554 m</b>
Length towing cable		2x 6,782 m	
Length supporting cable		4x 6,940 m	

## PERSONNEL AND RECOGNITION

### Management Board and Executive Board

At the 2018 Annual General Meeting, Dr Catrina Luchsinger Gähwiler was elected to the Management Board. She replaced Bruno Hofweber, who was no longer available for re-election. The chairman, the remaining four members of the Management Board and the composition of the remuneration committee were also confirmed by the AGM.

Since June 2017, the Executive Board has consisted of three members: Urs Kessler, CEO, Christoph Seiler, CFO, and Christoph Schläppi, Corporate Secretary. For the time being, the Management Board has decided not to add another member.

The information on the persons and compensation for the Management Board and Executive Board can be found in the remuneration report and the corporate governance section of this annual report.

### Management of operational units

As of 1 January 2018, the organisational structure was formally adapted to the process organisation, which is process-oriented. The activity of the three business fields is described in the main processes of the process organisation. Several specialist and support departments support the added value in the business segments. The major value creation processes, i.e. the business units, are now assigned a management function in the organisational chart of the organisational structure:

- Markus Balmer, Top of Europe business segment
- Marco Luggen, Experience Mountains and Winter Sport segments
- Thomas Aebischer, Bernese Oberland Railways segment leader (partner company)

The segment managers in the organisation matrix have the role of ordering the services of the specialist and support departments. These are led by the following managers:

- Markus Balmer, Technology
- Patrizia Bickel, Corporate Communications
- Matthias Bütler, Marketing
- Dominik Liener, Infrastructure
- Reto Mettler, Gastronomy
- Andreas Piattini, Human Resources
- Christoph Seiler, Finance
- Urs Siegenthaler, IT
- Stefan Würigler, Operations

The site managers Werner Amacher, Martin Loosli, Stefan Wittwer and Nils von Allmen will continue their previous work in the same or expanded form within the new structures.



# SEGMENTS

# SEGMENTS

## JUNGFRAUJOCH

### BUSINESS MODEL AND ENVIRONMENT

The Jungfrauoch – Top of Europe business segment is the strategic hub of the company. The main attraction is the highest railway station in Europe. It is located at 3,454 metres above sea level, within the Swiss Alpine Jungfrau-Aletsch UNESCO World Heritage site. Visitors can experience a high alpine world amidst imposing mountain peaks, glaciers and snow. The cogwheel railway from Lauterbrunnen and Grindelwald to the high alpine meeting point of Kleine Scheidegg and continues through the massifs of the Eiger (3,970 m above sea level) and Mönch (4,108 m above sea level) is internationally positioned among the most important tourist attractions in Switzerland. The International High Alpine Jungfrauoch and Gornergrat Research Station Foundation contributes to the attractiveness of the Jungfrauoch – Top of Europe through its presence and research results. The importance of the segment can be measured by the transport income of CHF 111.8 million. Sales are distributed among Jungfraubahn AG and Wengernalpbahn AG (information on the subsidiaries can be found in the financial report).

Jungfrauoch – Top of Europe is a comprehensive natural experience that is marketed as a comprehensive offer from a single source. With some supplementary services, the offer is only based on services provided by partners (e.g. tours in the area of alpinism, snow fun, the Mönchsjochehütte). After the complete integration of catering on the Kleine Scheidegg at the end of 2017, catering on the Jungfrauoch and the Eiger Glacier will be integrated at the end of 2019. The Jungfrauoch – Top of Europe is open 365 days a year. To ensure quality, the number of visitors is limited to 5,000 guests per day ( $\pm 10\%$ ). A seat reservation system ensures travel comfort.

## CURRENT SITUATION: MARKET ASSESSMENT BASED ON RESULTS

The financial year 2018 was very successful. For the third time in the history of the Jungfrau Railway, more than one million guests visited the Jungfrauoch – Top of Europe. This resulted in transport income of CHF 111.8 million with an average yield of 1.8%. Total sales grew for the first time to over CHF 200 million. Excursions to the Jungfrauoch – Top of Europe continued to benefit from the diversification of the markets. Despite the increasing number of individual guests, the segment with tour operators is still particularly important.

The international tourism market has been growing steadily in recent years. UNWTO, the tourism organisation of the UN, expects a continuation of this trend. Jungfrau Railway can make targeted use of this potential. The market development in Asia continues to be a high priority in order to maintain the high level of 2018. Growth is subject to certain limits. Capacity bottlenecks in the summer months and the long travel times that contradict the trend towards acceleration pose particular challenges for business development. In response to these circumstances, the utilisation of the off-season ("12 months of high season") is being promoted and the V-Cableway is being realised, which significantly shortens the travel times to the Jungfrauoch – Top of Europe. The aim is to provide guests with individually tailored and flexible travel behaviour. This will have a positive effect on the distribution of frequencies throughout the day.

## START TO 2019

The 2019 financial year began satisfactorily in the Jungfrauoch segment. Despite four days with breakdowns, 75,246 guests visited the Jungfrauoch from 1 January 2019 to 28 February 2019. Compared to the same period in the previous year, there was an increase of 7,863 guests, or 11.7%. However, this is also related to the slow start in 2018 (ten days lost in January due to storm).



*Snow Fun Jungfrauoch*

## WINTER SPORTS

### BUSINESS MODEL AND ENVIRONMENT

The JUNGFRAU Ski Region is a cooperation in which the Jungfrau Railway Group holds more than 60%. The JUNGFRAU Ski Region tariff alliance comprises twelve companies. The ski areas include Grindelwald-First, Kleine Scheidegg-Männlichen and Mürren-Schilthorn sub-areas. Snow sports enthusiasts can use their equipment for the entire destination with their subscription. Measured by the 990,000 ski visits (overall winter season 2017/2018), this ski resort is one of the largest in Switzerland.

The JUNGFRAU Ski Region earns approximately half of its winter sports income from visitors on winter holidays in the region. The region is distinguished internationally with an incomparable natural experience and a varied range of slopes with a variety of long valley runs. The ski areas are directly accessible from the historic resorts of Grindelwald, Wengen and Mürren. The region has a top position with its winter hiking and sledging facilities.

Day trippers, who form the other half of the winter sports customers, are more focused on the sporting activity. This is reflected in the requirements for the quality of the slopes, as well as the capacities of the feeder systems and transport routes (parking). There remains a strong focus on children. The "Children ride Saturdays free" promotion was used 11,000 times in the winter of 2017/2018.

Jungfrau Railways is the specialist for feeder systems and service facilities, slopes and fun parks in the ski area. The remaining parts of the value chain are covered only partially or in cooperation. Rental of equipment is promoted in a joint enterprise with local sports retailers (Intersport Rent-Network). Correspondingly, cooperation is closely tied to the regional economy, hoteliers, retailers and local tourism organisations.



## CURRENT SITUATION: MARKET ASSESSMENT BASED ON RESULTS

Despite turbulent weather conditions in January and often unfavourable weather on the weekends of the high season, business activity from the beginning of the year until the end of the season in spring 2018 was satisfactory due to good snow conditions. The number of skier visits for the financial year 2018 increased in the Jungfrau Ski Region as a whole on the previous year by 5.4% to 987,000. For the Jungfrau Railway Group, net transport revenue from the winter sports business amounted to CHF 22.1 million. Despite the increase on 2017, the result is still below the great winter sports years of 2007/2008.

In the highly competitive and saturated winter sports market, winter sports destinations with snow safety, high quality, varied slopes and plenty of convenience stand out. The course of the winter season 2017/2018 exemplifies how strongly weather and weather forecasts can influence demand. The trend towards the short-term and spontaneity has to be countered with new offers and pricing models. Offers that bind customers early or longer are becoming increasingly important. The Jungfrau Ski Region has teamed up with the large ski areas of the Bernese Oberland and has launched a seasonally priced season pass for CHF 666. With the purchase of such a subscription before the start of the season, demand is no longer linked to the factors that influence short-term purchases. The fact that the customer bears the risk for the meteorological conditions and for their spontaneous behaviour justifies the discount of around 33%. The partners agreed to an introductory phase of at least three years. In the second year (season 2018/2019), the subscription has paid itself off and the number of passes sold increased by 7%.

Less volatile, and therefore very valuable, is the winter sports business with holiday guests. To promote this or to keep up with the worldwide quality standard, the integration of tourism services must be constantly improved. As a traditional provider of transport services and slopes, the Jungfrau Railway Group is now focusing on completing the value chain. As an integrated tourism company, the new V-Cableway terminal will extend and expand activity along the value chain. For winter sports enthusiasts, the services in the area of the ski depot, rentals, ski school and catering have improved.

The Jungfrau Ski Region benefits from the unique backdrop of the Bernese Alps and the corresponding opportunity to utilise the feeder lifts increasingly with international excursion tourism in winter as well. The new tricable gondola from Grindelwald to the highest point of the ski area, an element of the V-Cableway project, has been designed from the outset for this mixed use.

## START TO 2019

The winter sport business continues to be challenging. Visitor numbers to the Jungfrau Ski Region increased by 11.3% from 1 January to 28 February 2019 compared to the previous year. Despite the improvement, Jungfrau Railways is committed to continuous quality improvement. With the V-Cableway project, travel times will be greatly shortened with a direct connection to public transport. On 14 December 2019, with the new ten-person gondola Grindelwald-Männlichen, the first facility of an international standard will also open. For our winter sports guests, this means greater comfort through smart guest guidance and better use of capacity. The entire system with the new Eigerexpress tricable gondola will be put into operation on 12 December 2020.



*Snowpark Grindelwald-First*

## EXPERIENCE MOUNTAINS

### BUSINESS MODEL AND ENVIRONMENT

The Experience Mountains are a strategic supplement. They are constantly gaining importance. In the fiscal year 2018, they generated 13% of Group sales. The mountain railways and the adventure worlds, some of which are specially created and maintained by the railways, form a solid basis for the local tourism industry and the linked agriculture. They create added value for the entire region by giving the opportunity to spend more time in the area, to spend the night or to take part in classic sports and hiking holidays. In the sustainably strengthened, intact and lively environment, our primary offer of Jungfrauoch – Top of Europe can be positioned even more successfully.

The experience mountain segment includes the following attraction points:

- Grindelwald-First, Top of Adventure
- Harder Kulm, Top of Interlaken
- Winteregg-Mürren, Top of Family

The Jungfrau Railway Group complements its offer with the following cooperations: Kleine Scheidegg-Eiger glacier (from the segment Jungfrauoch – Top of Europe), Schynige Platte-Bahn (a railway of the alliance partner Berner Oberland-Bahnen AG), gondola lift Grindelwald-Männlichen (holding of 35.5%), the Wengen-Männlichen cable car and Autoverkehr Grindelwald. The connecting element for these excursion destinations is the multi-day "Jungfrau Travel Pass". This pass offers visitors a wide range of excursion destinations valid for up to six consecutive days.

## CURRENT SITUATION: MARKET ASSESSMENT BASED ON RESULTS

For all Experience Mountains, which include excursion transport to Harder Kulm, First and Winteregg-Mürren, the Jungfrau Railway Group registered record results. With an increase of 26.7% in total, net transport income could once again be significantly increased. The Harder Railway achieved an increase in net transport income of another 36.2%. The First Railway booked an increase of 31.2%. The Lauterbrunnen-Mürren mountain railway achieved an increase of 7.6% in net transport income. For the Experience Mountains overall, a CHF 4.3 million higher transport income was generated than in the previous year, at CHF 20.2 million.

The good result of the Harder Railway backed up the company's decision to extend the Harder season by one month. With good visibility from the centre and the limited time required, the mountain has become a must for every visitor to Interlaken, opening up markets outside the Jungfrau Railway. The fact that the other excursion destinations are continuing to develop positively is due to the fact that they are actively taking up the trend towards athletic and fun-filled activities in the wild. The First Railway can successfully position itself for everyone with the "First Cliff Walk", the two adventure railways "First Flyer" and "First Glider", mountain carts and the Trottibike scooters in the Soft Adventure area. For the first time in 2018, the First Bagjump was also made available to adventure seekers during the summer. Winteregg is continually strengthening its family attractions. With the new freeride track opened in 2017, it has a unique attraction for the ambitious cyclist. In the financial year 2018, the Detective Trail was opened together with Mürren Tourismus in order to position the "Top of Family" even more clearly. The Mürren Railway benefited above all from cross-marketing with the Jungfraujoch – Top of Europe.

## PROSPECTS

The Experience Mountains are further expanding their successful outdoor and soft adventure offerings. On First, zoning principles to further supplement the adventure offer are being worked on. The planned gondola entry system will also increase the quality of customer information for guests. In 2019, the efficiency and quality of the Harder Railway will be further enhanced by improving guest guidance at the valley station, replacing the furniture on the outdoor terrace and rebuilding the self service-station.

Weather also plays an important role in terms of demand in this segment. Within these basic weather conditions, however, the products of the segment are very well positioned and can also be combined with other segments. This good starting position suggests that the company will continue to grow.





## OTHER COMPANIES

### POWER STATION

The power plant supports the independence of the Jungfrau Railway Group in one of its most important resources – energy – and provides services in the field of energy supply. In particular, thanks to intensive rainfall in the winter, the production volume at 66 GWh was a complete success. Energy sales, which due to trade exceed the production of 66 GWh, amount to 77.3 GWh, an increase of 5.2% compared to 2017.

## PARKING

Thanks to its location at the railway junction, the Lauterbrunnen car park is well positioned as the central transfer point between individual transport and the car-free resorts of Mürren and Wengen. In the reporting year, the car park averaged 68.4%, an increase of 1% compared to the previous year. Rental income reached CHF 2.3 million in 2018.

## **JUNGFRAUBAHNEN MANAGEMENT AG**

Jungfraubahn Holding AG entrusts Jungfraubahnen Management AG with the provision of management infrastructure and the provision of the services in specialist and support areas. The most important asset of this company is the central IT infrastructure of the Jungfrau Railways. The remuneration of CHF 5.8 million received by Jungfraubahnen Management AG for services to third parties comes from cost codes, particularly from Berner Oberland-Bahnen AG, and direct billing of services. Management AG also increasingly generates commission income from sales, in particular tickets, via the Internet.

# FINANCIAL REPORT

# FINANCIAL REPORT

## JUNGFRAU RAILWAY GROUP

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

With an annual profit of CHF 47.8 million, the Jungfrau Railway Group again increased its earnings significantly in 2018.

The Jungfrau Railway Group generated a total operating income of CHF 212.8 million, which corresponds to an increase of CHF 19.0 million. The most important source of income is still transport, which amounted to CHF 153.8 million in the reporting year – 7.0% or CHF 10.0 million above the previous year's record amount. Operating expenses increased by 11.0% to CHF 117.7 million. Accordingly, EBITDA rose by 8.4% to CHF 95.1 million and cash flow (from operating activities) by 25.6% to CHF 79.9 million. Depreciation and amortisation amounted to CHF 34.1 million. EBIT increased by 15.0% to CHF 61.0 million, which corresponds to an EBIT margin of 28.6%. After a virtually balanced financial result and after taxes, the annual accounts show an annual profit of CHF 47.8 million, 15.0% above the previous year.

In July 2018, the long-awaited construction of the V-Cableway began. By the end of 2018, significant progress had been made on the various sites. In total, the investment volume of the Jungfrau Railway Group amounted to CHF 63.6 million last year, of which CHF 40.8 million was attributable to the V-Cableway project. In recent years, the company has invested CHF 160 million or 50% of the estimated total costs in the generation project, which includes the already completed rolling stock renewals at the Wengernalp and Jungfrau railways, in addition to the core elements of the Eigerexpress, Grindelwald Terminal and car park.

In addition to the V-Cableway, the first steps in the renewal programme of the Lauterbrunnen-Mürren mountain railway, the acquisition of a neighbouring property at the First Railway valley station, the rebuilding of the Wengen railway tracks, the start of the extension of the arrival hall on the Jungfraujoch – Top of Europe, the renewal of the power supply and tunnel lighting as well as the further development of our own distribution system were the focus of our investment activity. Except for CHF 5.6 million in interest-free infrastructure loans from the public authorities for the Lauterbrunnen-Wengen and Lauterbrunnen-Mürren routes, the investments were fully financed from cash flow.

As at 31 December 2018, the consolidated balance sheet shows a solidly funded company with an equity ratio of 79.7%. It continues to operate without interest-bearing debts and has cash and cash equivalents of CHF 87.4 million. The Jungfrau Railway Group is therefore well prepared for the intensive investment phase of the next two years until the completion of the V-Cableway project with the planned commissioning of the Eigerexpress in December 2020.



## INFORMATION ON THE BUSINESS SEGMENTS

The most important segment of **Jungfrauoch – Top of Europe** achieved net sales of CHF 139.2 million. The renewed increase of 8.2% is based in particular on the long-standing, intensive and successful development of the Asian markets. Best results were again achieved, both in terms of visitor numbers and transport income. With 1,067,000 visitors, more than a million guests travelled to the Jungfrauoch – Top of Europe in the reporting year, for the third time following 2015 and 2017. The transport income increased by 4.3% to CHF 111.8 million. Noteworthy is the simultaneous increase in average yield of 1.8% to CHF 104.80 per guest. The mix of guests, higher guest numbers and the shop opened in Interlaken for the first time all year round had a positive effect on the turnover of the Top of Europe shops, which also set a new record at CHF 8.8 million. Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to CHF 67.5 million, accounting for 71.0% of Group EBITDA.

Significantly better than in the previous year, but still significantly weaker than in the best years, was **winter sports**. Despite turbulent weather conditions in January and often unfavourable weather on the weekends of the high season, business activity from the beginning of the year until the end of the season in spring 2018 was satisfactory due to good snow conditions. Unfortunately, the start of the winter season 2018/2019 was sluggish. The number of skier visits across the Jungfrau Ski Region rose by 5.4% year-on-year to 987,000, and the Group's share of the transport business revenue rose by 6.7% to CHF 22.1 million. With net sales of CHF 28.1 million, the segment achieved an EBITDA of CHF 0.3 million. The winter sports segment continues to make a significant contribution to the other divisions.

The strongest developments were with the **Experience Mountains**. All participating railways – the Harder Railway, First Railway and the Lauterbrunnen-Mürren Mountain Railway – achieved new records again in transport revenue. Overall, this increased by 26.7% to CHF 20.2 million. The Experience Mountains benefited from the long-lasting, beautiful summer and autumn weather. In addition, the independent positioning of all Experience Mountains is paying off. The sales increase of 40% to CHF 3.4 million in the adventure offers in the Grindelwald-First area and the increase in traffic revenue to over CHF 5 million at the Harder Railway are noteworthy. Overall, segment sales for the Experience Mountains increased by 24.9% to CHF 27.4 million and led to an EBITDA increase of 41.2% to CHF 14.5 million.

## STRATEGIC FINANCIAL TARGETS

The strategic financial objectives of the Jungfrau Railway Group reflect the orientation towards long-term goals and the policy of a value-oriented company (value stock). The profit and free cash flow targets also determine the financial planning of the Group.

Key figure	Target value
Return on sales	≥ 12%
EBIT margin	≥ 15%
Investments / cash flow	< 50%
Payout ratio	33% – 50%
Cumulative free cash flow 2014–2023	≥ CHF 150 Mio.
Equity ratio	> 70%

In order to meet the objectives of self-financing and investment in relation to cash flow, the long-term average applies when it comes to the assessment. Due to the high investment requirements of the V-Cableway project, the investment / cash flow objective cannot be met temporarily.

In 2018, the Jungfrau Railway Group exceeded its targets with the exception of the investment/cash flow indicator. The return on sales amounted to 22.5%, the EBIT margin reached 28.6%. With the proposed dividend increase of 16.7% to CHF 2.80 per share (previous year CHF 2.40), the payout ratio at 34.1% is within in the defined target range. Investments in the reporting year accounted for 79.6% of cash flow. For 2018, this resulted in a free cash flow of CHF 16.3 million. The accumulated free cash flow for the 2014–2023 target period at the end of 2018 therefore amounts to CHF 73.5 million. At the end of the reporting year, the level of self-financing was 79.7%.

## RISK MANAGEMENT AND ICS

In the context of risk management, Jungfrau Railways deals with possible events that could jeopardise the achievement of strategic and associated financial objectives. Accordingly, we assess these based on their probability of occurrence and their impact on EBIT. Events may include commercial success, partnerships, reputation, organisation (including, but not limited to, personal safety, material vulnerability, availability, integrity and confidentiality of data and the assurance of know-how), finances, as well as governance and compliance. Both opportunities and risks are identified. Strategic risks are regularly discussed as part of the update of the Management Board's SWOT analysis. In the management report, we focus heavily on the commercial challenges (see Message from the company management / opportunities and risks).

Jungfrau Railways has an internal control system (ICS) that meets legal requirements. This tool is used to check compliance in the particularly sensitive area of finances and to ensure the correctness and reliability of the reporting.

The IT security policy of Jungfrau Railways pursues a best-practice approach. The rules are defined in the IT security policy, the IT security guidelines for employees, and the IT password guidelines / user authorisation concept. In addition, special service levels are defined for all business-relevant applications and the change process is monitored by a specialist group in a risk-based manner. The internal data protection officer oversees the 60 or so data files with sensitive personal data, advises those responsible regarding handling and reports to the management at least once a year on the concerns of data protection and the results and recommendations from his examinations. The Jungfrau Railways are based on the General Data Protection Regulation (GDPR) of the EU, although the Swiss legislation is not yet in force. The necessary adjustments data collections with an international reference were treated with priority.

The risk management process is embedded in the existing process landscape. Process organisation regulates responsibilities and ensures that the relevant measures are planned and implemented. The risk index (risk catalogue) forms the central basis for the formal risk process. The risks are assessed according to financial impact and probability of occurrence and positioned based on their importance for the company (risk profile). The risk catalogue of Jungfrau Railways provides an overview of the operational risks and is revised annually. The Management Board discusses and supplements the strategic risks when necessary, but at least once a year. The external and internal audit activities are closely linked to risk management. In addition to internal audits, which are used by the Executive Board to check certain areas, Jungfrau Railways is regularly externally audited by the Swiss Federal Office of Transport, Suva and the certification body for the ISO 9001/2015 quality management certificate.

The Management Board is explicitly reintroducing the increasing density of regulation, which is accompanied by a public awareness of compliance, into the SWOT analysis. This results in efforts to continuously develop compliance. The focus remains on the safety of our employees and customers. However, more and more companies are affected by regulations in various areas. As a small listed company, it is a challenge to meet all the rules correctly, even to set standards in some areas, but not to let the costs explode and not to hinder innovation.

The failure of projects is a significant risk position in the catalogue of a naturally investment-driven transport company that must maintain and modernise cable cars and railways. At present, the major V-Cableway project poses corresponding challenges to project management. This is carried out by a board formed especially by representatives of the Jungfrau Railways and Gondelbahn Grindelwald-Männlichen AG. Every three months, it reports to the Board of Directors of Jungfraubahn Holding AG, Berner Oberland-Bahnen AG and Gondelbahn Grindelwald-Männlichen AG. In addition to the cost control, the schedule and the monitoring of the necessity and added value of any project adjustments, the safety, allocation of work, preparation of the handover as well as the quality and specific risks of the construction are discussed. The internal reporting is supplemented by a report from an independent expert.

## CONSOLIDATED BALANCE SHEET

### At 31 December

CHF (thousands)	Note	2018	%	2017	%
<b>Assets</b>					
Current assets					
Liquid funds		87,390		82,284	
Receivables from deliveries and services	1	14,637		9,579	
Other current receivables	2	21,673		15,796	
Inventories		1,784		1,953	
Accrued income	3	6,615		6,775	
<b>Total current assets</b>		<b>132,099</b>	<b>18.5%</b>	<b>116,387</b>	<b>17.7%</b>
Fixed assets					
Financial assets	4	6,297		6,709	
Tangible assets	5	567,097		524,926	
Intangible assets	6	8,823		8,737	
<b>Total fixed assets</b>		<b>582,217</b>	<b>81.5%</b>	<b>540,372</b>	<b>82.3%</b>
<b>Total Assets</b>		<b>714,316</b>	<b>100.0%</b>	<b>656,759</b>	<b>100.0%</b>
<b>Liabilities</b>					
Outside capital					
Liabilities from deliveries and services	7	28,169		18,025	
Current financial liabilities	8	740		740	
Other current liabilities	9	7,589		4,952	
Current provisions	10	2,050		1,975	
Deferred income	11	23,606		16,631	
<b>Total current borrowed capital</b>		<b>62,154</b>	<b>8.7%</b>	<b>42,323</b>	<b>6.4%</b>
Non-current financial liabilities	8	41,271		36,431	
Non-current provisions	10	41,231		42,094	
<b>Total non-current borrowed capital</b>		<b>82,502</b>	<b>11.6%</b>	<b>78,525</b>	<b>12.0%</b>
<b>Total borrowed capital</b>		<b>144,656</b>	<b>20.3%</b>	<b>120,848</b>	<b>18.4%</b>
Equity					
Share capital	23	8,753		8,753	
Capital reserves		-1,425		-1,417	
Treasury shares	23	-440		-399	
Retained earnings		558,506		524,588	
<b>Equity shareholders of Jungfraubahn Holding AG</b>		<b>565,394</b>		<b>531,525</b>	
Minority interests		4,266		4,386	
<b>Total equity</b>		<b>569,660</b>	<b>79.7%</b>	<b>535,911</b>	<b>81.6%</b>
<b>Total liabilities</b>		<b>714,316</b>	<b>100.0%</b>	<b>656,759</b>	<b>100.0%</b>



## CONSOLIDATED INCOME STATEMENT

### 1 January to 31 December

CHF (thousands)	Note	2018	2017
Operating income			
Transportation revenues	12	153,833	143,799
Compensation	13	10,254	10,152
Sale of energy		11,017	9,768
Souvenir shops		8,763	7,549
Dining and accommodation		4,382	488
Service income		7,455	6,549
Rental income	14	8,168	7,857
Other income	15	8,943	7,608
<b>Total operating income</b>		<b>212,815</b>	<b>193,770</b>
Operating expenses			
Cost of goods	16	-5,453	-3,634
Purchase of energy		-2,112	-2,967
Personnel expenses	17	-60,173	-55,276
Other operating expenses	20	-49,966	-44,150
<b>Total operating expenses</b>		<b>-117,704</b>	<b>-106,027</b>
<b>EBITDA</b>		<b>95,111</b>	<b>87,743</b>
Depreciation and amortisation			
Depreciation of tangible assets	5	-32,325	-33,399
Amortisation of intangible assets	6	-1,817	-1,306
<b>Total depreciation and amortisation</b>		<b>-34,142</b>	<b>-34,705</b>
<b>EBIT</b>		<b>60,969</b>	<b>53,038</b>
Financial result			
Financial expenses		-364	-533
Results from associated companies		-3	-2
Financial income	21	360	464
<b>Total financial result</b>		<b>-7</b>	<b>-71</b>
<b>Profit before tax</b>		<b>60,962</b>	<b>52,967</b>
Income taxes	22	-13,136	-11,366
<b>Annual profit</b>		<b>47,826</b>	<b>41,601</b>
Shareholders of Jungfraubahn Holding AG		47,914	41,292
Minority interests		-88	309
<b>Result per share</b>			
Shares issued		5,835,000	5,835,000
Average balance of time-weighted treasury shares		-8,154	-9,541
Average number of time-weighted outstanding shares		5,826,846	5,825,459
<b>Undiluted and diluted result per share</b>	<b>CHF</b>	<b>8.22</b>	<b>7.09</b>

## CONSOLIDATED CASH FLOW STATEMENT

### 1 January to 31 December

CHF (thousands)	Note	2018	2017
Annual profit		47,826	41,601
Depreciation of tangible assets	5	32,325	33,399
Amortisation of intangible assets	6	1,817	1,306
Change of provisions	10	-688	-293
Book profits from the sale of fixed assets		-253	-11
Book profits from the sale of financial assets		-12	0
Results from associated companies		3	2
Badwill from the acquisition of subsidiary shares	21	-6	-9
Value adjustment of financial assets	4	0	319
Other non-cash items [1]		1,968	2,024
<b>Cash flow before change in net current assets</b>		<b>82,980</b>	<b>78,338</b>
Increase in receivables from deliveries and services		-5,058	-1,874
Increase in other current receivables	2	-5,877	-11,279
Decrease / increase in inventories [2]		169	-520
Decrease in accrued income		160	402
decrease in liabilities from deliveries and services [3]		-2,001	-5,741
Increase in other short-term liabilities		2,637	269
Use of provisions	10	-100	0
Increase in deferred income		6,975	3,998
<b>Cash flow from operating activities</b>		<b>79,885</b>	<b>63,593</b>
Investments in tangible assets [3] [4]	5	-62,990	-31,196
Investments in financial assets	4	0	-3
Acquisition of subsidiaries less cash [2] [4]		0	-335
Investments in intangible assets	6	-1,903	-1,425
Divestment of tangible assets	5	892	766
Divestment of financial assets	4	421	2,437
<b>Cash flow from investing activities</b>		<b>-63,580</b>	<b>-29,756</b>
<b>Free cash flow</b>		<b>16,305</b>	<b>33,837</b>
Increase in financial liabilities	8	5,580	4,168
Repayment of financial liabilities	8	-740	-740
Purchase of minority shares		-2	-6
Investment in own shares incl. transaction costs		-2,925	-2,244
Divestment of own shares		906	697
Transaction costs for divestment of own shares		-2	-2
Profit distribution to minority interests		-20	-23
Profit distribution to Jungfraubahn Holding AG		-13,996	-12,244
<b>Cash flow from financing activities</b>		<b>-11,199</b>	<b>-10,394</b>
<b>Change in liquid assets</b>		<b>5,106</b>	<b>23,443</b>
Liquid funds 1 January		82,284	58,841
Liquid funds 31 December		87,390	82,284
Change in liquid assets		5,106	23,443

[1] Equity compensation programme for administration board, management and employees. [2] Increase in inventories in the previous year due to acquisition of Jungfrau Gastronomie AG TCHF 60. [3] Liabilities from deliveries and services include kCHF 12'145, which relates to investing activities. The accrued cash outflow will be in 2019. [4] Increase in tangible assets in the previous year due to purchase of Jungfrau Gastronomie AG kCHF 275.

## CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

### At 31 December

CHF (thousands)	Note	Share capital	Capital reserves	Treasury shares	Retained earnings	Equity shareholders of Jungfraubahn Holding AG	Minority shares	Total equity
<b>Equity at 01/01/2017</b>		<b>8,753</b>	<b>-1,850</b>	<b>-442</b>	<b>495,540</b>	<b>502,001</b>	<b>4,116</b>	<b>506,117</b>
Acquisition of own shares	23		-6	-2,238		-2,244		-2,244
Sale of treasury shares	23		439	2,281		2,720		2,720
Annual profit					41,292	41,292	309	41,601
Dividends					-12,244	-12,244	-23	-12,267
Purchase of subsidiary shares						0	-16	-16
<b>Equity at 31/12/2017</b>		<b>8,753</b>	<b>-1,417</b>	<b>-399</b>	<b>524,588</b>	<b>531,525</b>	<b>4,386</b>	<b>535,911</b>
Acquisition of own shares	23		-8	-2,917		-2,925		-2,925
Sale of treasury shares	23		0	2,876		2,876		2,876
Annual profit					47,914	47,914	-88	47,826
Dividends					-13,996	-13,996	-20	-14,016
Purchase of subsidiary shares						0	-12	-12
<b>Equity at 31/12/2018</b>		<b>8,753</b>	<b>-1,425</b>	<b>-440</b>	<b>558,506</b>	<b>565,394</b>	<b>4,266</b>	<b>569,660</b>

## ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### ACCOUNTING PRINCIPLES

#### General information

The consolidated financial statements are prepared on the basis of commercial operating values and in accordance with accounting recommendations (Swiss GAAP FER) and the Swiss Stock Corporation Act. They provide a true and fair view of the Group's net assets, financial position and results of operations. Consolidation is based on audited and unified financial statements prepared by the Group companies.

The financial statements of Jungfraubahn Holding AG and the consolidated financial statements of the Jungfraubahn Group were approved by the Board of Directors on 27 March 2019.

#### Closing date

The uniform closing date for all companies included in the consolidation is 31 December. The associated company Skilift Bumps AG is an exception to this rule (30 June). As in previous years, Skilift Bumps AG due to the lesser importance of the company does not have to prepare interim financial statements as at 31 December.

#### Scope of consolidation

The consolidated financial statements include the financial statements of Jungfraubahn Holding AG and its holdings. The holdings of the Group can be seen in the comment «0 Scope of consolidation» below. The holdings are broken down as follows:

##### *Group companies*

Group companies are companies in which Jungfraubahn Holding AG has a direct or indirect share of more than 50 per cent.

##### *Associated companies*

Associated companies are companies in which Jungfraubahn Holding AG holds 20 to 50 per cent.

##### *Non-consolidated holdings*

Non-consolidated holdings (up to 20 per cent) are reported under «financial assets».

#### Consolidation method

##### *Group companies*

Assets and liabilities, as well as expenses and income, are 100 per cent accounted for according to the full consolidation method. Capital consolidation is carried out according to the Anglo-Saxon method (purchase method). Goodwill paid in connection with a share acquisition is usually depreciated over 5 years, in justified cases over 20 years. A passive difference (badwill) is credited to the income statement in the financial year.

The minority interests in equity and income are shown separately on the balance sheet and the income statement. Receivables, liabilities as well as deliveries and services between group companies, including resulting profits, are eliminated.

#### *Associated companies*

These companies are included in the consolidated financial statements using the equity method less value adjustments necessary for economic reasons.

#### *Non-consolidated holdings*

The non-consolidated participations reported in the «financial investments» are valued at the acquisition cost less value adjustments necessary for economic reasons.

### **Valuation principles**

Balance sheet items are valued according to uniform guidelines. The valuation is based on the acquisition or production costs (principle of historical costs). The most important rules for the various items are set out below:

#### *Foreign currencies*

The conversion of positions in foreign currencies is carried out according to the closing rate method. The effects from foreign currency adjustments are recorded in the period result.

#### *Receivables*

Receivables are stated at the nominal value less value adjustments necessary for economic reasons.

#### *Inventories*

In particular, articles sold in souvenir shops and inventories of restaurants are included in this item. The valuation is carried out at acquisition cost or - if this is lower - at the realisable disposal value. Any discounts are recorded as a reduction in acquisition costs. Consumables and operating materials are reported as «deferred accruals» in the sense of prepaid expenses.

#### *Tangible assets*

Property, plant and equipment and spare parts are recognised at acquisition or production values and amortised using the straight-line method over the estimated period of their use (spare parts corresponding to the period of the related property, plant and equipment). Land is not amortised. The planned useful lives for:

Investment item	Years
Railway stations	50
Depots and workshops	50
Railway substructure and superstructure	25 – 80
Gondola lift, chairlift and ski lift stations	20 – 50
Ski slopes and fixed snowmaking equipment	10 – 25
Hiking trails and climbing routes	20 – 30
Power plant and technical water buildings	50 – 80
Restaurants and accommodation	10 – 50
Car parks and parking spaces	20 – 40
Residential buildings	50
Administration buildings	50
Other buildings	50
Railway installations	15 – 40
Gondola lifts	30
Chairlifts and ski lifts	10 – 30
Snowmakers	6 – 10
Power plant and technical water facilities	10 – 40
Other facilities	4 – 20
Rail vehicles	30
Slope vehicles	6
Cars	4 – 10
Other vehicles	4 – 10
Office equipment	5 – 8
Devices and tools	5 – 10
IT equipment	5 – 20
Communication equipment	5 – 20

### *Impairment*

On each balance sheet date, an assessment is made as to whether there are any signs of impairment of the book values of the Jungfraubahn Group's assets. If there are any signs, the recoverable value of the assets is determined. An impairment loss is recognised in profit or loss.

### *Financial assets*

Financial assets are stated at acquisition costs, less value adjustments necessary for economic reasons.

### *Intangible assets*

Intangible assets (software, concessions and rights as well as goodwill) are recognised at cost and depreciated over the estimated or contractually determined useful lives. The planned useful lives for:

Investment item	Years
Software	5 – 10
Concessions and rights	15 – 100
Goodwill	5



### *Liabilities*

Liabilities are stated at their nominal value.

### *Provisions*

Provisions are probable obligations that are based on events in the past, the amount and / or maturity of which is uncertain but can be estimated. The valuation is based on uniform business management criteria.

### **Sales realisation**

The revenues of the Jungfraubahn Group stem mainly from the sale of travel tickets (transport income), other important sources of income are the compensation received from government and energy sales. Transport income is realised with the completion of the sales transaction in the sales system and posted in the corresponding period. Proceeds from long-term travel tickets are deferred on a monthly basis and are settled over the entire duration of the travel tickets.

### **Taxes**

Current taxes on profits are deferred on the basis of the business results reported in the reporting year according to the principle of current-year measurement.

For deferred taxes, all differences between tax rates and group values are measured at full tax rates and reported in the balance sheet (comprehensive liability method). The currently applicable tax rate for each company is used for the calculation of the deferred tax burden. Deferred tax assets on tax-deductible losses carried forward are not capitalised but shown in the Notes.

### **Employee pension funds**

The employees of the Jungfraubahn Group except the Jungfrau Gastronomie AG are insured by the legally independent personnel pension fund of Jungfrau Railways. The employees of the Jungfrau Gastronomie AG are insured by the GastroSocial pension fund. The purpose of both funds is to insure the employees against the economic consequences of age, death and disability. All workers aged over 17 are insured.

The assets of both foundation are not included in the consolidated financial statements. In the statement of income, the contributions demarcated for the period are presented as personnel expenses. The balance sheet includes the corresponding deferred tax assets or liabilities as well as liabilities arising from contractual, regulatory or legal principles. It is assessed annually whether there is an economic benefit or an economic obligation from the organisation's perspective. The annual accounts of the pension funds, which are prepared in Switzerland in accordance with Swiss GAAP FER 26, and other calculations which represent the financial situation, the existing excess cover or shortfall under the actual circumstances, serve as a basis.

### **Transactions with related parties**

Business relationships with related parties are settled under market conditions. This applies in particular to business transactions with BEKB | BCBE, Gebäudeversicherung Bern, Garaventa AG, Graf AG, Hoch- & Tiefbau, Holzbau, as well as with associated companies and personnel services.

## SEGMENT INFORMATION

CHF (thousands)	2018	2017	Change	in %
<b>Segment sales</b>				
Net sales Jungfrauoch - Top of Europe	139,216	128,699	10,517	8.2%
Net sales Adventure mountains	27,428	21,963	5,465	24.9%
Net sales Winter sports	28,051	26,114	1,937	7.4%
Net sales other segments [1]	50,130	45,982	4,148	9.0%
Elimination group-internal sales	-32,010	-28,988	-3,022	10.4%
<b>Total operating income according to profit and loss account</b>	<b>212,815</b>	<b>193,770</b>	<b>19,045</b>	<b>9.8%</b>
<b>Segment results EBITDA</b>				
EBITDA Jungfrauoch – Top of Europe	67,544	66,631	913	1.4%
EBITDA Adventure mountains	14,458	10,243	4,215	41.2%
EBITDA Winter sports	339	329	10	3.0%
EBITDA other segments [1]	12,769	10,544	2,225	21.1%
Group eliminations	1	-4	5	-125.0%
<b>Total EBITDA according to the income statement</b>	<b>95,111</b>	<b>87,743</b>	<b>7,368</b>	<b>8.4%</b>

[1] Other segments include, in particular, the Jungfrauoch power station, Jungfrauoch Management AG and the Lauterbrunnen car park.

## COMMENTS

### 0 Scope of consolidation

There were no changes in the scope of consolidation in the reporting year.

The following companies are included in the scope of consolidation as of 31 December 2018:

Company	participation	Consolidation method
Jungfrauoch Holding AG, Interlaken	parent company	full consolidation
Jungfrauoch AG, Interlaken	100.0%	full consolidation
Wengernalpbahn AG, Interlaken	100.0%	full consolidation
Firstbahn AG, Grindelwald	100.0%	full consolidation
Parkhaus Lauterbrunnen AG, Lauterbrunnen	100.0%	full consolidation
Mürrenbahn AG, Lauterbrunnen	100.0%	full consolidation
Jungfrau Gastronomie AG, Interlaken	100.0%	full consolidation
Bergbahn Lauterbrunnen-Mürren AG, Interlaken	94.1%	full consolidation
Harderbahn AG, Interlaken	88.5%	full consolidation
Grindelwald Grund Infrastruktur AG, Grindelwald	80.0%	full consolidation
Jungfrauoch Management AG, Interlaken	67.0%	full consolidation
Sphinx AG Jungfrauoch, Fieschertal VS	57.1%	full consolidation
Gondelbahn Grindelwald-Männlichen AG, Grindelwald	35.5%	equity method
Skilift Bumps AG, Wengen	22.7%	equity method

### 1 Receivables from deliveries and services

CHF (thousands)	2018	2017
Receivables from third parties	14,750	9,528
Receivables from associated companies	589	141
Value adjustments	-702	-90
<b>Net value</b>	<b>14,637</b>	<b>9,579</b>
Change	5,058	

### 2 Other current receivables

CHF (thousands)	2018	2017
Short-term financial assets 4-12 months	20,020	15,000
Various current receivables	1,653	796
<b>Total</b>	<b>21,673</b>	<b>15,796</b>
Change	5,877	

### 3 Accrued income

CHF (thousands)	2018	2017
Operating material and consumables, printed matter, service clothing	2,403	2,396
Credit refund of tax payments	389	57
Credit from energy supplies	1,005	916
Prepaid insurance premiums	1,159	1,349
Miscellaneous	1,659	2,057
<b>Total</b>	<b>6,615</b>	<b>6,775</b>
Change	-160	

## 4 Financial investments

CHF (thousands)	Associated companies	Non-consolidated holdings	Loans	Securities	Fixed deposits	Total acquisition values
<b>Acquisition values</b>						
Inventory 01/01/2017	6,423	576	831	1,295	2,025	11,150
Additions				3		3
Disposals	-2		-412		-2,025	-2,439
<b>Inventory 31/12/2017</b>	<b>6,421</b>	<b>576</b>	<b>419</b>	<b>1,298</b>	<b>0</b>	<b>8,714</b>
Additions						0
Disposals	-3		-409	-35		-447
<b>Total acquisition values 31/12/2017</b>	<b>6,418</b>	<b>576</b>	<b>10</b>	<b>1,263</b>	<b>0</b>	<b>8,267</b>
<b>Depreciation and amortisations</b>						
Inventory 01/01/2017	940	50	0	696	0	1,686
Additions				319		319
Disposals						0
<b>Inventory 31/12/2017</b>	<b>940</b>	<b>50</b>	<b>0</b>	<b>1,015</b>	<b>0</b>	<b>2,005</b>
Additions						0
Disposals				-35		-35
<b>Total depreciation and amortisations 31/12/2018</b>	<b>940</b>	<b>50</b>	<b>0</b>	<b>980</b>	<b>0</b>	<b>1,970</b>
<b>Balance sheet values</b>						
<b>Inventory 31/12/2017</b>	<b>5,481</b>	<b>526</b>	<b>419</b>	<b>283</b>	<b>0</b>	<b>6,709</b>
<b>Inventory 31/12/2018</b>	<b>5,478</b>	<b>526</b>	<b>10</b>	<b>283</b>	<b>0</b>	<b>6,297</b>

## 5 Tangible assets - acquisition values 2018

Investment item	CHF (thousands)	Balance sheet value 01/01/2018	Inventory 01/01/2018	Additions	Reclassification	Disposals	Inventory 31/12/2018
<b>Undeveloped land</b>		<b>1,484</b>	<b>1,945</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,945</b>
Developed land		11,624	12,768				12,768
Railway stations		29,090	57,163			-543	56,620
Depots and workshops		12,558	22,977	1,460	3,261	-103	27,595
Railway substructure and superstructure		80,034	110,752	3,564	566	-795	114,087
Gondola lift, chair lift and ski lift stations		16,812	36,985				36,985
Ski slopes and fixed snowmaking equipment		16,077	33,297	726	19	-51	33,991
Hiking trails / climbing routes		440	1,127				1,127
Power station		13,336	19,174				19,174
Restaurants and accommodation		17,166	32,808				32,808
Car parks and parking spaces		2,139	15,935	77		-42	15,970
Residential buildings		3,188	5,252			-311	4,941
Administration buildings		1,104	2,497	885		-624	2,758
Other buildings		51,740	102,267	3			102,270
<b>Total land and buildings</b>		<b>255,308</b>	<b>453,002</b>	<b>6,715</b>	<b>3,846</b>	<b>-2,469</b>	<b>461,094</b>
Railway installations		36,410	88,469	3,333	1,585	-3,482	89,905
Gondola lifts		11,251	27,870	99		-90	27,879
Chairlifts and ski lifts		21,182	53,847	1,329		-2,994	52,182
Snowmaking equipment		1,378	4,676	108		-5	4,779
Power stations		23,847	38,313	2,599	1,207	-1	42,118
Other facilities		9,369	19,542	1,719	462	-125	21,598
<b>Total facilities</b>		<b>103,437</b>	<b>232,717</b>	<b>9,187</b>	<b>3,254</b>	<b>-6,697</b>	<b>238,461</b>
Rail vehicles		128,840	235,640	2,190	4,729	-2,743	239,816
Slope vehicles		2,193	8,616	1,447		-1,758	8,305
Cars		571	1,239	130	22	-130	1,261
Other vehicles		361	1,294	201		-98	1,397
<b>Total vehicles</b>		<b>131,965</b>	<b>246,789</b>	<b>3,968</b>	<b>4,751</b>	<b>-4,729</b>	<b>250,779</b>
Office equipment		0	1,393			-12	1,381
Devices and tools		2,635	9,669	121		-132	9,658
IT equipment		1,009	2,910	96		-143	2,863
Communication equipment		187	336				336
<b>Total other property, plant and equipment</b>		<b>3,831</b>	<b>14,308</b>	<b>217</b>	<b>0</b>	<b>-287</b>	<b>14,238</b>
<b>Installations under construction</b>		<b>22,923</b>	<b>22,923</b>	<b>54,665</b>	<b>-11,851</b>	<b>0</b>	<b>65,737</b>
<b>Spare parts / material supplies</b>		<b>5,978</b>	<b>13,574</b>	<b>383</b>	<b>0</b>	<b>-745</b>	<b>13,212</b>
<b>Total</b>		<b>524,926</b>	<b>985,258</b>	<b>75,135</b>	<b>0</b>	<b>-14,927</b>	<b>1,045,466</b>

## 5 Property, plant and equipment - depreciation and impairments 2018

Investment item	CHF (thousands)	Inventory 01/01/2018	Additions	Reclassification	Disposals	Inventory 31/12/2018	Balance sheet value 31/12/2018
<b>Undeveloped land</b>		<b>461</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>461</b>	<b>1,484</b>
Developed land		1,144				1,144	11,624
Railway stations		28,073	1,349		-543	28,879	27,741
Depots and workshops		10,419	519		-103	10,835	16,760
Railway substructure and superstructure		30,718	2,413		-795	32,336	81,751
Gondola lift, chair lift and ski lift stations		20,173	1,257			21,430	15,555
Ski slopes and fixed snowmaking equipment		17,220	1,349		-51	18,518	15,473
Hiking trails / climbing routes		687	127			814	313
Power station		5,838	464			6,302	12,872
Restaurants and accommodation		15,642	652			16,294	16,514
Car parks and parking spaces		13,796	497		-42	14,251	1,719
Residential buildings		2,064	164		-311	1,917	3,024
Administration buildings		1,393	314		-624	1,083	1,675
Other buildings		50,527	2,194			52,721	49,549
<b>Total land and buildings</b>		<b>197,694</b>	<b>11,299</b>	<b>0</b>	<b>-2,469</b>	<b>206,524</b>	<b>254,570</b>
Railway installations		52,059	3,859		-3,482	52,436	37,469
Gondola lifts		16,619	1,242		-90	17,771	10,108
Chairlifts and ski lifts		32,665	2,065		-2,994	31,736	20,446
Snowmaking equipment		3,298	314		-5	3,607	1,172
Power stations		14,466	1,007		-1	15,472	26,646
Other facilities		10,173	1,722		-125	11,770	9,828
<b>Total facilities</b>		<b>129,280</b>	<b>10,209</b>	<b>0</b>	<b>-6,697</b>	<b>132,792</b>	<b>105,669</b>
Rail vehicles		106,800	8,729		-2,743	112,786	127,030
Slope vehicles		6,423	833		-1,758	5,498	2,807
Cars		668	118		-130	656	605
Other vehicles		933	81		-98	916	481
<b>Total vehicles</b>		<b>114,824</b>	<b>9,761</b>	<b>0</b>	<b>-4,729</b>	<b>119,856</b>	<b>130,923</b>
Office equipment		1,393			-12	1,381	0
Devices and tools		7,034	451		-132	7,353	2,305
IT equipment		1,901	235		-143	1,993	870
Communication equipment		149	38			187	149
<b>Total other property, plant and equipment</b>		<b>10,477</b>	<b>724</b>	<b>0</b>	<b>-287</b>	<b>10,914</b>	<b>3,324</b>
<b>Installations under construction</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>65,737</b>
<b>Spare parts / material supplies</b>		<b>7,596</b>	<b>332</b>	<b>0</b>	<b>-106</b>	<b>7,822</b>	<b>5,390</b>
<b>Total</b>		<b>460,332</b>	<b>32,325</b>	<b>0</b>	<b>-14,288</b>	<b>478,369</b>	<b>567,097</b>



## 5 Tangible assets - acquisition values 2017

Investment item	CHF (thousands)	Balance sheet value 01/01/2017	Inventory 01/01/2017	Additions	Reclassification	Disposals	Inventory 31/12/2017
<b>Undeveloped land</b>		<b>1,484</b>	<b>1,945</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,945</b>
Developed land		11,523	12,667	51	50		12,768
Railway stations		27,397	54,436	1,113	1,624	-10	57,163
Depots and workshops		13,132	23,257	35		-315	22,977
Railway substructure and superstructure		77,257	105,925	3,695	1,629	-497	110,752
Gondola lift, chair lift and ski lift stations		17,424	36,355	630			36,985
Ski slopes and fixed snowmaking equipment		17,521	33,297				33,297
Hiking trails / climbing routes		567	1,127				1,127
Power station		13,656	19,031	56	87		19,174
Restaurants and accommodation		14,798	29,847	2,090	871		32,808
Car parks and parking spaces		2,527	15,892	88		-45	15,935
Residential buildings		3,501	5,252				5,252
Administration buildings		1,147	2,497				2,497
Other buildings		52,808	101,181	810	292	-16	102,267
<b>Total land and buildings</b>		<b>253,258</b>	<b>440,764</b>	<b>8,568</b>	<b>4,553</b>	<b>-883</b>	<b>453,002</b>
Railway installations		35,262	84,114	3,046	1,567	-258	88,469
Gondola lifts		12,453	27,870				27,870
Chairlifts and ski lifts		22,354	52,942	283	622		53,847
Snowmaking equipment		1,638	4,571	65	40		4,676
Power stations		22,367	36,100	2,740	101	-628	38,313
Other facilities		9,465	18,395	1,468	74	-395	19,542
<b>Total facilities</b>		<b>103,539</b>	<b>223,992</b>	<b>7,602</b>	<b>2,404</b>	<b>-1,281</b>	<b>232,717</b>
Rail vehicles		132,691	233,894	4,555	1,161	-3,970	235,640
Slope vehicles		2,654	8,237	455		-76	8,616
Cars		516	1,151	155		-67	1,239
Other vehicles		426	1,274	20		0	1,294
<b>Total vehicles</b>		<b>136,287</b>	<b>244,556</b>	<b>5,185</b>	<b>1,161</b>	<b>-4,113</b>	<b>246,789</b>
Office equipment		0	1,393			0	1,393
Devices and tools		2,896	9,630	198		-159	9,669
IT equipment		1,235	2,929	18		-37	2,910
Communication equipment		225	336			0	336
<b>Total other property, plant and equipment</b>		<b>4,356</b>	<b>14,288</b>	<b>216</b>	<b>0</b>	<b>-196</b>	<b>14,308</b>
<b>Installations under construction</b>		<b>21,963</b>	<b>21,963</b>	<b>9,078</b>	<b>-8,118</b>	<b>0</b>	<b>22,923</b>
<b>Spare parts / material supplies</b>		<b>6,722</b>	<b>13,507</b>	<b>822</b>	<b>0</b>	<b>-755</b>	<b>13,574</b>
<b>Total</b>		<b>527,609</b>	<b>961,015</b>	<b>31,471</b>	<b>0</b>	<b>-7,228</b>	<b>985,258</b>

## 5 Property, plant and equipment - depreciation and impairments 2017

Investment item	CHF (thousands)	Inventory 01/01/2017	Additions	Reclassification	Disposals	Inventory 31/12/2017	Balance sheet value 31/12/2017
<b>Undeveloped land</b>		<b>461</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>461</b>	<b>1,484</b>
Developed land		1,144				1,144	11,624
Railway stations		27,039	1,044		-10	28,073	29,090
Depots and workshops		10,125	609		-315	10,419	12,558
Railway substructure and superstructure		28,668	2,547		-497	30,718	80,034
Gondola lift, chair lift and ski lift stations		18,931	1,242			20,173	16,812
Ski slopes and fixed snowmaking equipment		15,776	1,444			17,220	16,077
Hiking trails / climbing routes		560	127			687	440
Power station		5,375	463			5,838	13,336
Restaurants and accommodation		15,049	593			15,642	17,166
Car parks and parking spaces		13,365	476		-45	13,796	2,139
Residential buildings		1,751	313			2,064	3,188
Administration buildings		1,350	43			1,393	1,104
Other buildings		48,373	2,170		-16	50,527	51,740
<b>Total land and buildings</b>		<b>187,506</b>	<b>11,071</b>	<b>0</b>	<b>-883</b>	<b>197,694</b>	<b>255,308</b>
Railway installations		48,852	3,465		-258	52,059	36,410
Gondola lifts		15,417	1,202			16,619	11,251
Chairlifts and ski lifts		30,588	2,077			32,665	21,182
Snowmaking equipment		2,933	365			3,298	1,378
Power stations		13,733	1,361		-628	14,466	23,847
Other facilities		8,930	1,638		-395	10,173	9,369
<b>Total facilities</b>		<b>120,453</b>	<b>10,108</b>	<b>0</b>	<b>-1,281</b>	<b>129,280</b>	<b>103,437</b>
Rail vehicles		101,203	9,567		-3,970	106,800	128,840
Slope vehicles		5,583	916		-76	6,423	2,193
Cars		635	100		-67	668	571
Other vehicles		848	85			933	361
<b>Total vehicles</b>		<b>108,269</b>	<b>10,668</b>	<b>0</b>	<b>-4,113</b>	<b>114,824</b>	<b>131,965</b>
Office equipment		1,393				1,393	0
Devices and tools		6,734	459		-159	7,034	2,635
IT equipment		1,694	244		-37	1,901	1,009
Communication equipment		111	38			149	187
<b>Total other property, plant and equipment</b>		<b>9,932</b>	<b>741</b>	<b>0</b>	<b>-196</b>	<b>10,477</b>	<b>3,831</b>
<b>Installations under construction</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,923</b>
<b>Spare parts / material supplies</b>		<b>6,785</b>	<b>811</b>	<b>0</b>	<b>0</b>	<b>7,596</b>	<b>5,978</b>
<b>Total</b>		<b>433,406</b>	<b>33,399</b>	<b>0</b>	<b>-6,473</b>	<b>460,332</b>	<b>524,926</b>

## 6 Intangible assets

CHF (thousands)	Concessions and rights	Software	Goodwill	Total acquisition values
<b>Acquisition values</b>				
Inventory 01/01/2017	4,700	9,553	428	14,681
Additions		1,425		1,425
Reclassification				0
Disposals		-408		-408
<b>Inventory 31/12/2017</b>	<b>4,700</b>	<b>10,570</b>	<b>428</b>	<b>15,698</b>
Additions		1,903		1,903
Reclassification				0
Disposals	-205	-77		-282
<b>Total Acquisition values 31/12/2018</b>	<b>4,495</b>	<b>12,396</b>	<b>428</b>	<b>17,319</b>
<b>Depreciation and impairments</b>				
Inventory 01/01/2017	2,142	3,493	428	6,063
Additions	130	1,176		1,306
Reclassification				0
Disposals		-408		-408
<b>Inventory 31/12/2017</b>	<b>2,272</b>	<b>4,261</b>	<b>428</b>	<b>6,961</b>
Additions	126	1,691		1,817
Reclassification				0
Disposals	-205	-77		-282
<b>Depreciation and impairments 31/12/2018</b>	<b>2,193</b>	<b>5,875</b>	<b>428</b>	<b>8,496</b>
<b>Balance sheet values</b>				
<b>Inventory 31/12/2017</b>	<b>2,428</b>	<b>6,309</b>	<b>0</b>	<b>8,737</b>
<b>Inventory 31/12/2018</b>	<b>2,302</b>	<b>6,521</b>	<b>0</b>	<b>8,823</b>

## 7 Liabilities from deliveries and services

CHF (thousands)	2018	2017
Liabilities from deliveries and services owed to third parties	27,858	17,927
Liabilities from deliveries and services owed to related parties	260	41
Liabilities from deliveries and services owed to associated companies	51	57
<b>Total</b>	<b>28,169</b>	<b>18,025</b>
Change	10,144	

## 8 Financial liabilities / net financial assets

CHF (thousands)	2018	Maturity less than 1 year	Maturity more than 1 year	Conditionally repayable	Unused limits	2017
Confederation and canton loan under Art. 56 Railway Conveyance Act (non-interest-bearing)	42,011	740		41,271		37,171
Bank liabilities	0				124,400	
<b>Total financial liabilities</b>	<b>42,011</b>	<b>740</b>	<b>0</b>	<b>41,271</b>	<b>124,400</b>	<b>37,171</b>
Liquid funds	87,390					82,284
<b>Net financial assets</b>	<b>45,379</b>					<b>45,113</b>
Change on previous year	266					

## 9 Other current liabilities

CHF (thousands)	2018	2017
VAT	0	1,392
Direct tax	3,817	2,375
Social security liabilities	346	22
Clearing balance Jungfrau Ski Region and SBB	3,009	383
Various other liabilities	240	613
Liabilities to shareholders [1]	177	167
<b>Total</b>	<b>7,589</b>	<b>4,952</b>
Change	2,637	

[1] Liabilities to shareholders include dividends not yet paid out.

## 10 Provisions

CHF (thousands)	Holidays / overtime	Various	Demolition Ostgrat building	Deferred taxes	Total provisions
Book value at 01/01/2017	1,299	0	950	42,113	44,362
Formation	590	100		116	806
Dissolution	-14			-1,085	-1,099
<b>Book value at 31/12/2017</b>	<b>1,875</b>	<b>100</b>	<b>950</b>	<b>41,144</b>	<b>44,069</b>
of which short-term	1,875	100	0	0	1,975
Book value at 01/01/2018	1,875	100	950	41,144	44,069
Formation	279			411	690
Use		-100			-100
Dissolution	-104			-1,274	-1,378
<b>Book value at 31/12/2018</b>	<b>2,050</b>	<b>0</b>	<b>950</b>	<b>40,281</b>	<b>43,281</b>
of which short-term	2,050	0	0	0	2,050

## 11 Deferred income

CHF (thousands)	2018	2017
Demarcation of transport income from subscriptions	6,936	5,936
Direct tax	7,238	6,508
Profit sharing	1,008	809
Other demarcations	8,424	3,378
<b>Total</b>	<b>23,606</b>	<b>16,631</b>
Change	6,975	

## 12 Transportation revenues

CHF (thousands)	2018	2017
JungfrauJoch – Top of Europe	118,798	114,369
Adventure mountains	20,661	16,209
Winter sports	22,324	20,934
<b>Gross transportation revenues</b>	<b>161,783</b>	<b>151,512</b>
Reductions in revenue	-7,950	-7,713
<b>Total</b>	<b>153,833</b>	<b>143,799</b>
Change	10,034	

## 13 Compensation received from government

CHF (thousands)	2018	2017
Lauterbrunnen–Wengen infrastructure	4,821	4,638
Regional passenger transport Lauterbrunnen–Wengen	1,393	1,455
Freight transport Lauterbrunnen–Wengen	1,900	1,920
Regional passenger transport Lauterbrunnen–Mürren	2,140	2,139
<b>Total</b>	<b>10,254</b>	<b>10,152</b>
Change	102	

The uncovered costs of the transport service ordered by the public authorities (Federation and Canton of Bern) on the routes Lauterbrunnen–Mürren and Lauterbrunnen–Wengen are paid by the purchaser. The corresponding compensation must be negotiated in advance.

## 14 Rental income

CHF (thousands)	2018	2017
Catering rental rates	1,766	2,189
Renting of parking spaces	2,535	2,256
Renting of residential and commercial spaces	1,254	1,028
Other renting	2,613	2,384
<b>Total</b>	<b>8,168</b>	<b>7,857</b>
Change	311	

**15 Other income**

CHF (thousands)	2018	2017
Experience offers	3,398	2,440
Events	1,313	2,002
Income from package offers	29	114
Various income	2,489	1,917
Capitalised costs	1,461	1,124
Income from sales of assets	253	11
<b>Total</b>	<b>8,943</b>	<b>7,608</b>
Change	1,335	

**16 Cost of goods**

CHF (thousands)	2018	2017
Souvenir shops	-4,055	-3,395
Dining and accommodation	-1,398	-239
<b>Total</b>	<b>-5,453</b>	<b>-3,634</b>
Change	-1,819	

**17 Personnel expenses**

CHF (thousands)	2018	2017
Salaries and wages	-43,527	-39,812
Allowances, uniforms and other benefits	-6,634	-6,256
Social expenditure	-9,028	-8,305
remaining personnel expenses	-1,480	-1,372
Insurance payments	496	469
<b>Total</b>	<b>-60,173</b>	<b>-55,276</b>
Change	-4,897	
<b>Employees (full-time positions)</b>	<b>600</b>	<b>542</b>
Change	58	

The compensation paid to the Management booked under personnel expenses is shown in the remuneration report of Jungfraubahn Holding AG.



## 18 Employee benefit plans

Number of people	2018	2017
Active insured persons	634	615
Pensioners	254	250
<b>Total persons</b>	<b>888</b>	<b>865</b>
Change	23	
<hr/>		
<b>Expenditure for employee benefit plans in thousands of CHF (included in social expenses)</b>	<b>-4,302</b>	<b>-4,028</b>
Change	-274	

## 19 Pension plans

Economic benefit / economic commitment	Tausend CHF	Surplus cover / shortfall at 31/12/2017	Surplus cover / shortfall at 31/12/2016	Economic part of the organisation at 31/12/2017	Economic part of the organisation at 31/12/2016
Pension plan with surplus cover					
Jungfrau Railways pension fund [1]		0	0	0	0
GastroSocial pension fund [2]		0	–	0	–
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change		0		0	

[1] The degree of coverage of the Jungfrau Railways pension fund amounts to 117.2% as of 31/12/2017 in the last published financial statements. [2] The staff of Jungfrau Gastronomie AG is insured with the GastroSocial Pension Fund. As at 31/12/2018, this shows a degree of coverage of 115.3%.

Pension expenses in personnel expenses	CHF (thousands)	2018	2017
Jungfrau Railways pension fund		-3,986	-3,866
GastroSocial pension fund		-77	-12
<b>Total</b>		<b>-4,063</b>	<b>-3,878</b>
Change		-185	

Management insurance is maintained for members of management and extended management. Expenses for the companies amounted to kCHF 239 in 2018 and kCHF 150 in 2017.

## 20 Other operating expenses

CHF (thousands)	2018	2017
Costs for services	-8,929	-8,988
Rent expenses	-519	-424
Maintenance, renovation and demolition	-10,434	-10,845
Insurance and compensation	-1,249	-1,655
Energy and consumables	-2,280	-2,326
General expenses	-14,588	-8,656
IT	-4,712	-3,888
Marketing	-5,905	-5,392
Events	-1,350	-1,976
<b>Total</b>	<b>-49,966</b>	<b>-44,150</b>
Change	-5,816	

General expenses mainly include administrative costs, fees and duties as well as various sponsorship and cost contributions. The compensation paid to Board members as a general expense is disclosed in the remuneration report of Jungfraubahn Holding AG.

## 21 FINANCIAL INCOME

Financial income for 2018 includes a badwill of kCHF 6, which resulted from the purchase of shares in subsidiaries. There was a badwill of kCHF 9 in 2017.

## 22 Taxes on profits

CHF (thousands)	2018	2017
Distribution by tax type		
Income taxes	-13,999	-12,335
Deferred taxes on profits	863	969
<b>Total</b>	<b>-13,136</b>	<b>-11,366</b>
Change	-1,770	
Analysis of taxes on profits		
Ordinary earnings before taxes on profits	60,962	52,967
Average applicable tax rate before taking account of losses carried forward	22.3%	21.7%
Expected taxes on profits related to the ordinary result	-13,601	-11,918
Effect of changes in non-capitalised losses carried forward	-402	429
Effect of tax-free results	560	192
Other effects	307	-69
<b>Total</b>	<b>-13,136</b>	<b>-11,366</b>
Effective tax rate	21.5%	21.5%

The Group's average income tax rate is based on the weighted average tax rate resulting from the profit or loss before tax as well as the tax rate of each individual company.

With the companies Firstbahn AG, Bergbahn Lauterbrunnen-Mürren AG, Grindelwald Grund Infrastruktur AG, Jungfrau Gastronomie AG as well as Mürrenbahn AG there are tax-deductible losses carried forward totalling kCHF 4,492 (previous year kCHF 2,657). The resulting non-capitalised deferred tax claim is kCHF 985 (previous year kCHF 583).

## **23 EQUITY**

### **Share capital**

The share capital of Jungfraubahn Holding AG is fully paid up, amounting to CHF 8,752,500 at 31 December 2018 and is divided into 5,835,000 registered shares with a nominal value of CHF 1.50. Rights and restrictions related to the shares are explained in Section 6 of the Corporate Governance report.

### **Treasury shares**

At 31 December 2018, the company held 3,018 registered treasury shares with a nominal value of CHF 1.50 each (previous year 3,593 registered treasury shares).

In the reporting year, 20,000 (previous year: 20,005) of the Company's registered treasury shares were purchased at an average price of CHF 145.88 (previous year: CHF 111.86) and 20,575 (previous year 21,116) registered treasury shares were sold at an average price of CHF 139.91 (previous year CHF 128.94).

Since 2005, the employees of the Jungfrau Railway Group as well as the administrative boards of Jungfraubahn Holding AG have been given the option of voluntarily purchasing a limited number of registered shares of Jungfraubahn Holding AG at a preferential price. In the reporting year, this price was CHF 43.00 per registered share (previous year CHF 33.00). The difference between the preferential price and the exchange rate, determined according to circular no. 37 of the Federal Tax Administration, was recognised in the income statement under personnel expenses. In this way 20,294 registered treasury shares were sold in the reporting year (previous year 20,975).

The share ownership of the Board members and management is shown in the annexe to the financial statements of Jungfraubahn Holding AG.

### **Reserves**

The non-distributable, statutory or legal reserves amounted to kCHF 26,279 at 31 December 2018 (previous year kCHF 24,917).

## 24 Other information

CHF (thousands)	2018	2017
<b>Investment obligations</b>	<b>34,024</b>	<b>16,881</b>
<b>Sureties, guarantees and pledges in favour of third parties</b>		
Assets pledged to secure building lease charges	51	51
Guarantee obligations	90	41
Joint guarantee Verein Int. Lauberhornrennen Wengen	500	500
Joint and several liability for all value-added tax liabilities of the Jungfrau Group (including Berner Oberland-Bahnen AG)	p.m.	p.m.
Joint and several liability for the obligations of the simple partnership Jungfrau Ski Region	p.m.	p.m.
<b>Other obligations not to be recognised</b>		
Lease obligations from long-term leases	12,258	11,681
• of which due within 1 year	500	475
• of which due in 1-5 years	1,451	1,232
• of which due in more than 5 years	10,307	9,974

## 25 EVENTS AFTER THE BALANCE SHEET DATE

Since the balance sheet date of 31 December 2018, no events have occurred which affect the meaningfulness of the consolidated financial statements for 2018.

## AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2018 and the financial statements for 2018 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2018 remuneration report and corporate governance information.

## DEVELOPMENT

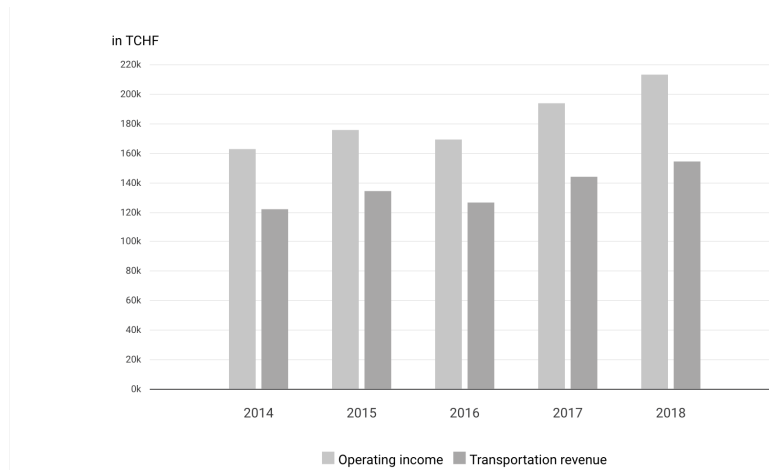
## KEY FIGURES 2014 TO 2018

CHF (thousands)	2018	2017	2016	2015	2014
<b>Balance sheet</b>					
Current assets	132,099	116,387	79,613	70,081	66,857
Fixed assets	582,217	540,372	545,691	528,048	502,603
Outside capital	144,656	120,848	119,187	110,658	108,635
Equity	569,660	535,911	506,117	487,471	460,825
Balance sheet total	714,316	656,759	625,304	598,129	569,460
<b>Income statement</b>					
Operating income	212,815	193,770	169,030	175,488	162,491
Transportation revenues	153,833	143,799	125,984	133,969	121,497
Operating expenses	117,704	106,027	97,951	96,093	94,968
Personnel expenses	60,173	55,276	53,402	53,440	52,045
EBITDA	95,111	87,743	71,079	79,395	67,523
Depreciation and amortisation	34,142	34,705	34,747	32,395	28,889
EBIT (operating profit)	60,969	53,038	36,332	47,000	38,634
Annual profit	47,826	41,601	30,964	36,485	30,597
<b>Cash flow statement</b>					
Cash flow from operating activities	79,885	63,593	68,519	63,256	56,696
Cash flow from investing activities	-63,580	-29,756	-50,408	-57,813	-56,931
Cash flow from financing activities	-11,199	-10,394	-8,358	-6,052	-8,736
Free cash flow	16,305	33,837	18,111	5,443	-235
<b>Key figures</b>					
Equity ratio	79.7%	81.6%	80.9%	81.5%	80.9%
EBITDA in relation to operating income	44.7%	45.3%	42.1%	45.2%	41.6%
EBIT in relation to operating income	28.6%	27.4%	21.5%	26.8%	23.8%
Return on sales (ROS)	22.5%	21.5%	18.3%	20.8%	18.8%
Number of personnel	600	542	536	525	519
Earnings per employee	355	358	315	334	313
Personnel expenses in relation to operating income	28.3%	28.5%	31.6%	30.5%	32.0%

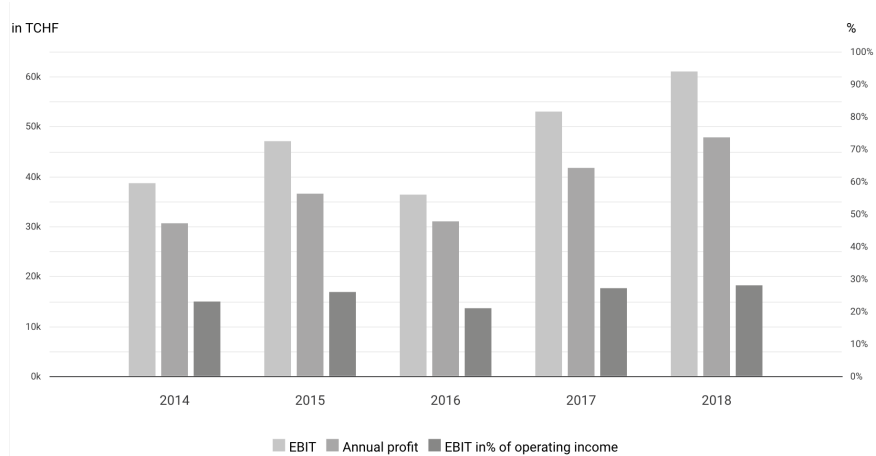


## CHARTS 2014 TO 2018

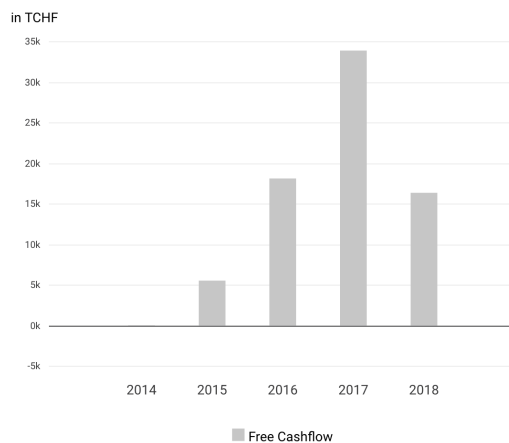
### Operating income / transportation revenue



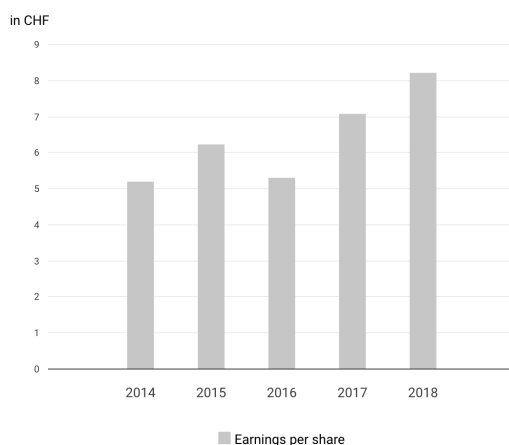
### Results



## Free Cashflow



## Earnings per share



## INFORMATION FOR SHAREHOLDERS

### Information per registered share

Information per share [1] in CHF	2018	2017	2016	2015	2014
Nominal value	1.50	1.50	1.50	1.50	1.50
Voting rights	1	1	1	1	1
Net profit [2]	8.21	7.08	5.30	6.21	5.20
Dividends (2018: proposal) [3]	2.80	2.40	2.10	2.00	1.80
Equity [2]	96.90	91.09	86.03	82.58	78.06

### Stock market price

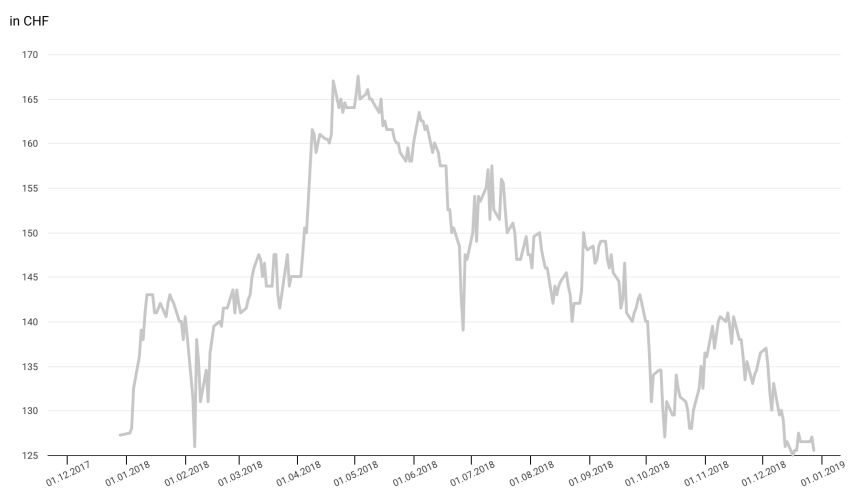
High	167.50	134.70	110.50	100.80	82.80
Low	123.50	95.10	88.80	70.70	65.65
Year-end price	125.50	127.20	97.50	94.85	75.50

### Key data [1]

Price/earnings ratio	15.28	17.97	18.41	15.27	14.51
Price/equity	129.5%	139.6%	113.3%	114.9%	96.7%
Payout ratio	34.1%	33.9%	39.7%	32.2%	34.6%
Dividend yield [3]	2.2%	1.9%	2.2%	2.1%	2.4%
Stock return [3]	0.9%	32.3%	4.9%	27.7%	18.2%

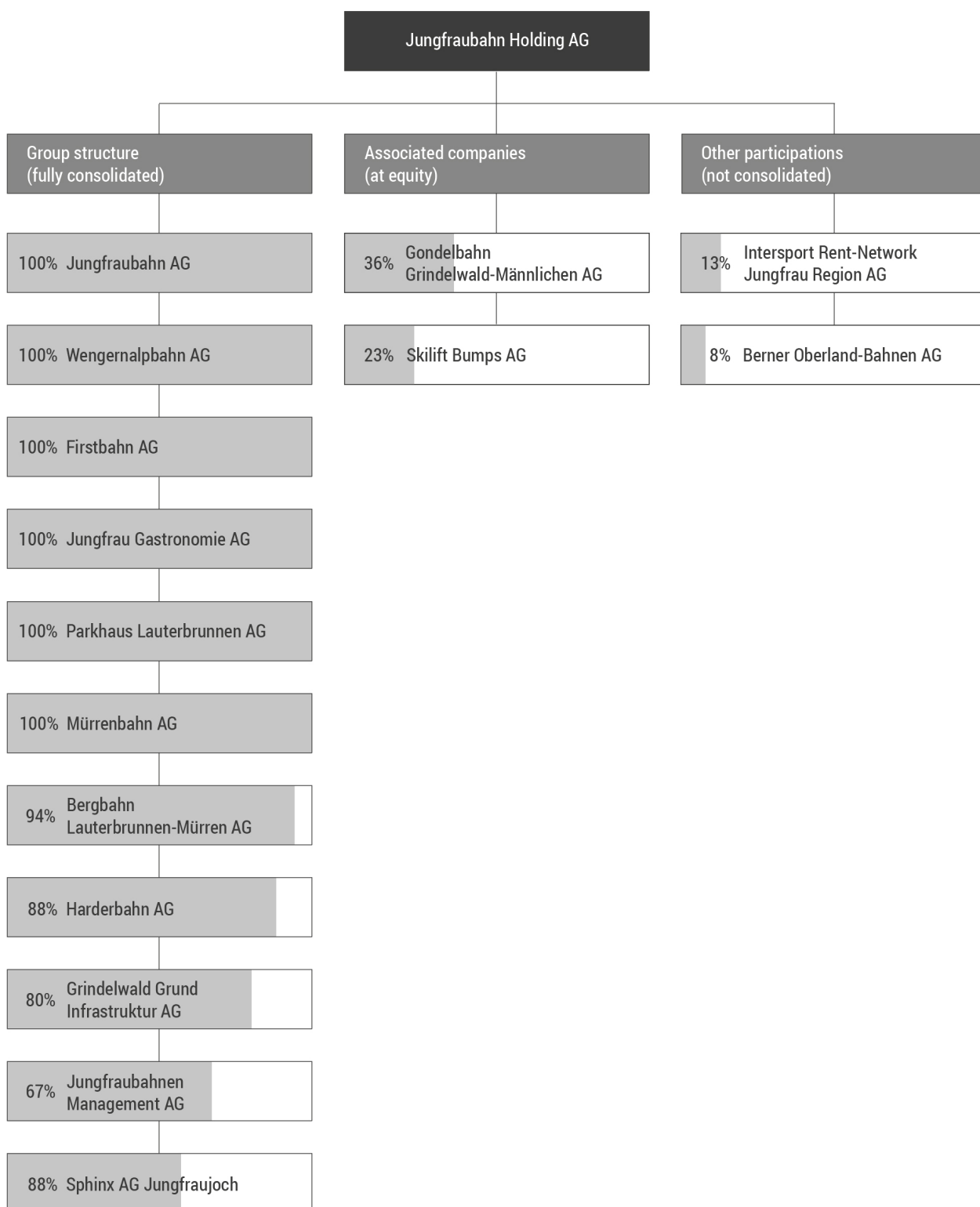
[1] Based on year-end prices, calculated from the total portfolio of 5,835,000 issued shares. [2] Calculated on the share of the shareholders of Jungfraubahn Holding AG. [3] Basis of updated appropriation of retained earnings.

### Share price (closing price) Jungfraubahn Holding AG, January to December 2018



## GROUP STRUCTURE

**AS AT 31/12/2018**



## JUNGFRAUBAHN HOLDING AG

## BALANCE SHEET

at 31 December

CHF (thousands)	2018	%	2017	%
<b>Assets</b>				
Current assets				
Liquid funds	51,499		47,819	
Other receivables from third parties	20,375		15,377	
Other receivables from participating interests	105		5,187	
Accrued income	20		14	
<b>Total current assets</b>	<b>71,999</b>	<b>36.4%</b>	<b>68,397</b>	<b>38.4%</b>
Fixed assets				
Loans to group companies	101,720		85,580	
Participating interests	24,335		24,329	
<b>Total fixed assets</b>	<b>126,055</b>	<b>63.6%</b>	<b>109,909</b>	<b>61.6%</b>
<b>Total Assets</b>	<b>198,054</b>	<b>100.0%</b>	<b>178,306</b>	<b>100.0%</b>
<b>Liabilities</b>				
Outside capital				
Current interest-bearing liabilities owed to third parties	3,009		383	
Current interest-bearing liabilities for participating interests	37,194		22,566	
Other current liabilities owed to third parties	4		10	
Other current liabilities owed to shareholders	177		167	
Deferred income	367		397	
Current provisions	0		100	
<b>Total current borrowed capital</b>	<b>40,751</b>		<b>23,623</b>	
<b>Total non-current borrowed capital</b>	<b>0</b>		<b>0</b>	
<b>Total borrowed capital</b>	<b>40,751</b>	<b>20.6%</b>	<b>23,623</b>	<b>13.2%</b>
Equity				
Share capital	8,753		8,753	
Statutory retained earnings	25,612		25,612	
• Profit carried forward	73,802		71,612	
• Statutory and final reserves	32,920		32,920	
Voluntary retained earnings	106,722		104,532	
Own capital shares	-440		-399	
Annual result	16,656		16,185	
<b>Total equity</b>	<b>157,303</b>	<b>79.4%</b>	<b>154,683</b>	<b>86.8%</b>
<b>Total liabilities</b>	<b>198,054</b>	<b>100.0%</b>	<b>178,306</b>	<b>100.0%</b>

## INCOME STATEMENT

### 1 January to 31 December

CHF (thousands)	2018	2017
Operating income		
Service income	835	834
<b>Total operating income</b>	<b>835</b>	<b>834</b>
Operating expenses		
Administration expenses	-1,728	-1,716
<b>Total operating expenses</b>	<b>-1,728</b>	<b>-1,716</b>
Financial result		
Financial expenses	-267	-225
Investment income	16,640	15,647
Other financial income	1,211	1,740
<b>Total financial result</b>	<b>17,584</b>	<b>17,162</b>
Direct tax	-35	-95
<b>Annual profit</b>	<b>16,656</b>	<b>16,185</b>

## PROFIT SHARING

### Application concerning the use of balance sheet profits

	CHF	CHF
<b>Annual profit 2018</b>		<b>16,655,745</b>
Profit balance carried forward according to AGM resolution of 14 May 2018	73,793,365	
Undistributed dividends from own shares	8,438	
Profit balance carried forward according to annual financial statement	73,801,803	73,801,803
<b>Balance sheet profit available to the AGM</b>		<b>90,457,548</b>
<b>Executive Board proposal:</b>		
Distribution of a dividend of CHF 2.80 per share on 5,835,000 registered shares. CHF 1.50		-16,338,000
Amount to be carried forward		74,119,548

## NOTES TO THE FINANCIAL STATEMENTS

### Basis

The 2018 annual accounts of Jungfraubahn Holding AG, Interlaken, have been prepared in accordance with the provisions of Swiss Accounting Law (Section 32 of the Swiss Code of Obligations).

### Various information

Jungfraubahn Holding AG did not employ any staff in the reporting year nor in the previous year. Since the balance sheet date of 31 As of December 2018, no events have occurred which affect the validity of the 2018 annual accounts of Jungfraubahn Holding AG.

### Treasury shares

CHF (thousands)		2018	2017
<b>Inventory on 1st January</b>	<b>(2018: 3,593 shares, 2017: 4,704 shares)</b>	<b>399</b>	<b>442</b>
Purchases	(2018: 20,000 shares, 2017: 20,005 shares)	2,917	2,238
Sales	(2018: 20,575 shares, 2017: 21,116 shares)	-2,878	-2,723
Success		2	442
<b>Inventory on 31st December</b>	<b>(2018: 3,018 shares, 2017: 3,593 shares)</b>	<b>440</b>	<b>399</b>
Average price of purchased treasury shares (CHF)		145.88	111.86
Average price of treasury shares sold (CHF)		139.91	128.94



## Holdings / voting rights in per cent

	Share capital CHF (thousands)	2018	2017
<b>Group companies</b>			
Jungfraubahn AG, Interlaken; operation of a rack railway from Kleine Scheidegg to Jungfrauoch	10,000	100.0%	100.0%
Wengernalpbahn AG, Interlaken; operation of a rack railway, chair lifts and ski lifts	10,000	100.0%	100.0%
Firstbahn AG, Grindelwald; operation of the First Railway as well as chairlifts and ski lifts, hotels and restaurants	10,000	100.0%	100.0%
Parkhaus Lauterbrunnen AG, Lauterbrunnen; construction and operation of Lauterbrunnen car park	1,000	100.0%	100.0%
Mürrenbahn AG, Lauterbrunnen; operation of cable car and narrow gauge railway from Lauterbrunnen to Mürren	100	100.0%	100.0%
Jungfrau Gastronomie AG, Interlaken; operation of hotels and restaurants	100	100.0%	100.0%
Bergbahn Lauterbrunnen-Mürren AG; operation of cable car and narrow gauge railway from Lauterbrunnen to Mürren	1,800	94.1%	94.1%
Harderbahn AG, Interlaken; Interlaken-Harder cable car and Harder Kulm restaurant	705	88.5%	88.4%
Grindelwald Grund Infrastruktur AG, Grindelwald; creating, maintaining and managing the infrastructure of railway stations, terminal, car park	10,000	80.0%	80.0%
Jungfraubahnen Management AG, Interlaken; management / company consultancy, provision of services	100	67.0%	67.0%
Sphinx AG Jungfrauoch, Fieschertal VS; ownership and management of Sphinx buildings, Jungfrauoch	53	57.1%	57.1%
<b>Associated companies</b>			
Gondelbahn Grindelwald-Männlichen AG, Grindelwald; operation of gondola lift and ski lifts in the Männlichen area	11,000	35.5%	35.5%
Skilift Bumps AG, Wengen; creation, operation and maintenance of a ski lift on the Wickibort	220	22.7%	22.7%
<b>Deviating voting rights in holdings as a percentage</b>			
Gondelbahn Grindelwald-Männlichen AG, Grindelwald		34.8%	34.8%
<b>Other significant holdings</b>			
Intersport Rent-Network Jungfrau Region AG, Grindelwald	400	12.5%	12.5%
Berner Oberland-Bahnen AG, Interlaken	12,341	8.1%	8.1%

## Shareholder structure

	2018	2017
<b>Significant shareholders</b>		
BEKB   BCBE (Berner Kantonalbank), Bern	14.2%	14.3%
Gebäudeversicherung Bern, Bern	7.4%	7.7%
JSP Sicherheitsdienste, Alarmempfang und Intervention (Schweiz) AG, Zollikofen	4.7%	4.7%
Erwin Reinhardt, Muri b. Bern [1]	4.4%	4.4%
Martin Haefner, Horw	4.0%	4.0%

[1] Participation directly and as beneficial owner of Montalto Holding AG, Zug, and Epicea Holding AG, Zug.

## Further information

CHF (thousands)	2018	2017
<b>Sureties, guarantees and pledges in favour of third parties</b>		
Joint and several liability for all value-added tax liabilities of the Jungfraubahn Group (including Berner Oberland-Bahnen AG)	p.m.	p.m.
<b>Net release of silent reserves</b>	<b>2</b>	<b>306</b>

## Holding relationships of directors and management board members

Disclosure under Art. 663c OR	Number of shares 2018	Number of shares 2017	Voting rights share 2018
<b>Board of Directors</b>			
Prof. Thomas Bieger, Board Chairman	10,750	10,000	0.2%
Ueli Winzenried, Board Vice-Chairman	4,500	4,500	0.1%
Peter Baumann, Board of Directors	6,367	5,700	0.1%
Nils Graf, Board of Directors	5,663	4,913	0.1%
Bruno Hofweber, former Member of Board of Directors [1]		5,340	0.0%
Dr. Catrina Luchsinger Gähwiler, Board of Directors [2]	750		0.0%
Hanspeter Rüfenacht, Board of Directors	1,600	850	0.0%
<b>Total Board of Directors</b>	<b>29,630</b>	<b>31,303</b>	<b>0.5%</b>
<b>Company Management</b>			
Urs Kessler, Chairman of the Executive Board	34,000	32,000	0.6%
Christoph Schläppi, Head of Corporate Services	9,495	8,895	0.2%
Christoph Seiler, Head of Finances and Controlling	17,058	16,808	0.3%
<b>Total management</b>	<b>60,553</b>	<b>57,703</b>	<b>1.0%</b>

[1] On the Board of Directors until 14/05/2018. [2] Election to the Board of Directors on 14/05/2018.

The relationships between the largest shareholders and individual members of the Board of Directors are disclosed in Figure 3.1 of the Corporate Governance Report. This connection is classified as "not related". There is no attribution of the shareholding held by the major shareholders to individual Board members.

## AUDITOR'S REPORT

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2018 and the financial statements for 2018 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2018 remuneration report and corporate governance information.

## SUBSIDIARIES

### JUNGFRAUBAHN AG

From Kleine Scheidegg, the Jungfrau Railway opens up the world-famous excursion destination of Jungfrauoch - Top of Europe. Every year, the Jungfrau Railway transports guests from all over the world to Europe's highest railway station in eternal snow and ice. On the Jungfrauoch and on the Eigergletscher, guests are catered for in various, leased gastronomic establishments. In the Top of Europe Shops, on the Jungfrauoch, Kleine Scheidegg, on First and in Interlaken, the company sells typical Swiss souvenirs, clothing and accessories. Since its founding, Jungfraubahn AG has been producing electricity in its own hydroelectric power plant in Lütschental and provides services in energy supplies.

#### Company data

Route	Route length (all rack)	9.3 km
	Length of tunnel	7.6 km
	Altitude difference	1,393 m
Most important rolling stock	Double carriage	8
	Low-floor control cars	4
Conveying capacity per hour	Seats	1,060
Jungfrauoch catering (leased)	Restaurant (elevated)	1
	Bar	1
	Self-service	1
	Group restaurants	2
	Total seats	730
Eigergletscher catering (leased)	Restaurant	1
	Ski bar	1
	Seats	320
Shopping area Top of Europe Shops	Jungfrauoch	140 m2
	Kleine Scheidegg	40 m2
	First	60 m2
	Interlaken	90 m2

**Key figures**

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	139	140
• of which learners	4	4
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	98,449	92,361
Transportation revenues	69,375	66,556
Goods income from shops	8,768	7,563
Goods expenditure shops	-4,055	-3,394
Sale of energy	16,127	14,713
Purchase of energy	-2,113	-2,968
EBIT	44,838	38,902
Annual profit	35,057	30,337

## WENGERNALPBAHN AG

The Wengernalp Railway, with the longest racked railway in the world, opens up the excursion and winter sports area of Kleine Scheidegg and serves as a feeder to the world-famous destination of Jungfrauoch - Top of Europe. In the area of public transport, Wengernalpbahn AG supplies the car-free residential and holiday resort of Wengen. Wengernalpbahn AG also owns the winter sports facilities around Kleine Scheidegg with a total of 8 chairlifts. In addition, the company leases catering facilities at Kleine Scheidegg (to the sister company Jungfrau Gastronomie AG) and Grindelwald Grund.

### Company data

Route	Route length (all rack)	19.2 km
	Stations	10
Most important rolling stock	Panorama trains	10
	Double carriage	4
	Railcars	18
	Articulated driving units	8
	Passenger cars and control cars	13
	Freight cars	47
	Freight locomotives	7
Conveying capacity per hour	Lauterbrunnen (seats/standing places)	1,076 / 444
	Grindelwald (seating / standing)	784 / 420
	Total	2,866
Winter sports	Chairlifts	8
	Slope vehicles	11
Catering, accommodation (leased)	2 restaurants (number of seats)	550
	Dormitory (number of beds)	90

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	230	220
• of which learners	4	4
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	70,729	68,861
Transportation revenues	57,465	55,865
Compensation	8,114	8,012
EBIT	8,137	8,719
Annual profit	6,253	6,264

## FIRSTBAHN AG

On the Grindelwald-First - Top of Adventure excursion mountain you can take a trip into the mountains with a spectacular tour on the «First Cliff Walk by Tissot», a fast-paced ride with the First Flyer (Tyrolienne) and the First Glider, an adventurous ride in the «Mountain Cart» and a downhill ride with the Trottibike scooter. The sunniest ski area of the Jungfrau Region, with its five service facilities, half-pipe and the «Snowpark Grindelwald-First», is popular in winter with locals, freestylers and holidaymakers from all over the world. First Railway leases the Berghaus on First with a dormitory.

### Company data

Gondola lift	Gondola lift (sections)	1 (3)
	Gondola lift carrying capacity	1,200 p/h
	Carrying capacity 3rd section	1,800 p/h
Winter sports	Chairlifts	3
	Ski lifts	2
	Carrying capacity chairlifts and ski lifts	8,190 p/h
	Slope vehicles	7
Experience offers	First Flyer (Tyroliennes)	4
	First Glider (number of seats)	4
	Mountain Carts (vehicles)	100
	Trotti-Bikes (vehicles)	120
Catering, accommodation (leased)	2 restaurants (number of seats)	790
	Dormitory (number of beds)	90

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	66	57
• of which learners	9	7
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	21,776	16,544
Transportation revenues	16,999	12,997
EBIT	6,341	2,650
Annual profit	5,079	2,423

## BERGBAHN LAUTERBRUNNEN – MÜRREN AG

The Mürren Railway is part of the public transport network financed by the canton of Bern. It connects the car-free health resort of Mürren, the «Winteregg - Top of Family» excursion destination and the Mürren-Schilthorn winter sports area. On Winteregg, the company leases the restaurant of the same name.

### Company data

Lauterbrunnen-Grütschalp funicular	Track length	1,432 m
	Altitude difference	686 m
	Cable car cabins (number of persons / tonnes of goods)	100 / 6
Grütschalp-Mürren adhesion railway	Track length	4.3 km
	Railcars	5
Catering (leased)	Restaurant Winteregg (number of seats)	430

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	30	30
Holdings of Jungfraubahn Holding AG	94.1%	94.1%
Operating income	7,421	7,015
Transportation revenues	4,878	4,493
Compensation	2,140	2,139
EBIT	971	616
Annual profit	996	617



## HARDERBAHN AG

With «Harder Kulm - Top of Interlaken», the funicular is positioned as an excursion to Interlaken's own mountain. The short journey, the breathtaking view from an exposed viewing platform on Lake Brienz and Lake Thun as well as the three peaks of the Eiger, Mönch and Jungfrau contribute to the special experience. A wide range of dishes in the leased «Harder Kulm» restaurant rounds off the offer.

### Company data

Funicular	Track length	1,449 m
	Altitude difference	754 m
	Carrying capacity	500 p/h
Catering (leased)	Restaurant Harder Kulm (seats)	560

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	5	5
Holdings of Jungfraubahn Holding AG	88.5%	88.4%
Operating income	6,230	4,704
Transportation revenues	5,380	3,951
EBIT	3,826	2,687
Annual profit	2,985	2,099

## PARKHAUS LAUTERBRUNNEN AG

The Lauterbrunnen car park with its 940 parking spaces and bus terminal is the central transfer point between private transport and the car-free resorts of Mürren and Wengen.

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	4	4
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	2,419	2,096
EBIT	1,018	775
Annual profit	796	609

## GRINDELWALD GRUND INFRASTRUKTUR AG

The company was founded in 2016 as the central element of the V-Cableway project, with the aim of providing the Grindelwald-Männlichen valley stations, the multifunctional terminal and connected car park with more than 1,000 parking spaces and a bus terminal.

### Key figures

Operating values, in thousands of CHF	2018	2017
Staff	0	0
Holdings of Jungfraubahn Holding AG	80.0%	80.0%
Operating income	488	22
EBIT	-2,513	-85
Annual result	-2,568	-86

## JUNGFRAU GASTRONOMIE AG

The Jungfrau Gastronomie AG was acquired on 1 November 2017. The purpose of this company is the operation of catering establishments along the main traffic axis to the Jungfrauoch Top of Europe. As the first operation branch, the «Bergrestaurant Kleine Scheidegg» was opened on 1 December 2017 at Kleine Scheidegg.

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions) [1]	40	36
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	4,349	458
EBIT	-888	-546
Annual result	-866	-614

[1] In the 2017 full-time equivalent as of 31 December.

## JUNGFRAUBAHNEN MANAGEMENT AG

The main activity of Jungfraubahnen Management AG is the provision of IT infrastructure and the performance of central, group-wide services for the companies of the Jungfrau Railway Group and Berner Oberland-Bahnen AG.

### Key figures

Operating values, in thousands of CHF	2018	2017
Employees (full-time positions)	86	80
• of which learners	12	12
Holdings of Jungfraubahn Holding AG	67.0%	67.0%
Operating income	30,128	27,609
Income from management services	23,104	20,914
EBIT	162	234
Annual profit	68	139

# **REMUNERATION AND CORPORATE GOVERNANCE**

# REMUNERATION AND CORPORATE GOVERNANCE

## REMUNERATION REPORT

### 1. INTRODUCTION AND PRINCIPLES

This report is based on the remuneration paid to the members of the Management Board and Executive Board of Jungfraubahn Holding AG pursuant to Article 13 para. 1 of the Ordinance against excessive remuneration at listed companies (VegüV). It will be submitted to the AGM in 2019. The report is based on Articles 13 to 16 of VegüV and also complies with the applicable standards of the Swiss Code of Best Practice for Corporate Governance, including Annex 1 on the recommendations on compensation for the Management Board and Executive Board.

The Jungfrau Railway Group offers performance-related overall remuneration that is in line with the market in order to attract, motivate and retain individuals with the necessary skills and character traits for the Management Board and Executive Board. The compensation policy is based on the following principles: The fees and basic salaries are determined according to the requirements regarding skills, responsibilities and workloads. The performance of the Executive Board is taken into account by means of a variable component determined by the result. The Management Board and Executive Board participate in the longer-term development of the company through a share participation programme. No compensation components that hinder the transfer or the change of control have been made. The notice period of the members of the Executive Board is six months (half of the statutory maximum duration).

The framework for remuneration is set out in Article 20 of the statutes of Jungfraubahn Holding AG. They allow both short-term and long-term profit-sharing in cash and/or shares, which, however, may not exceed two-thirds of the basic salary/basic remuneration. In addition, according to the statutes, treasury shares may be issued at a discounted price, benefits paid to the occupational pension plan and loans granted at standard market conditions of up to CHF 100,000.

In its current implementation, Jungfraubahn Holding AG's remuneration system is designed as simply and transparently as possible. The design of the system was possible without consultants. Profit sharing using shares as well as long-term profit sharing have been waived. They have been replaced by the participation program for discounted employee shares, in which the Management Board and Executive Board can participate voluntarily, in accordance with the quotas allocated to them. In order to limit the dynamics of the system in the event of very good results and to avoid exceeding bandwidths in the benchmark, total compensation limits have been defined for the remuneration of the members of the executive board.

## 2. CONTENTS OF THE COMPENSATION

### 2.1 BASIC PRINCIPLES

The structure of the remuneration model is based on the basic strategy that positions the Jungfraubahn Holding AG share as a value stock. The compensation system supports the long-term increase in value for investors. This is achieved in concrete terms through

- a longer-term determination of salary and in particular a longer-term fixing of the success component of the Executive Board to ensure continuity,
- the calculation of the profit sharing of the Executive Board in earnings before tax (EBT) and thus a team-oriented objective (EBT as an important variable for a value-oriented company),
- a share participation programme with a long binding period (blocking the transfer of shares over a period of 5 years) and thus an orientation towards the long-term growth in value.

The share participation programme also exists in the same format for the Group's managers and employees. The shares under the company's own ownership are intended to reinforce the commitment of all employees to the company. The exercise rate in 2018 was 58%. In addition, the members of the extended Executive Board will receive a profit-sharing bonus on the same principle as for the Executive Board.

### 2.2 THE INDIVIDUAL ELEMENTS OF THE COMPENSATION SYSTEM

#### 2.2.1 Fixed compensation

For members of the Management Board, the fixed compensation, consisting of fee, expenses and attendance fees, forms the basis for the compensation. It is paid out in two semi-annual instalments. The Executive Board receives a basic salary, which is in the form of 13 monthly salaries.

For Executive Board directors representing a legal person participating in Jungfraubahn Holding AG (article 707, paragraph 3 of the Swiss Code of Obligations), the representative may determine that the fee should not be paid to the director but directly to the legal person. The amount due will be settled once a year at the end of December [12].

Provided that members of the Management Board and members of the Executive Board receive compensation from third parties for activities carried out in connection with their roles at Jungfrau Railways, the following shall apply: The members of the Executive Board deliver their fees without compensation to Jungfraubahnen Management AG. They can keep their attendance fees as part of their compensation. Administrative committees keep fees and attendance fees. Such payments are included in this report in the fee or salary and are reported to the respective beneficiary.



**[12]**

This regulation is currently being applied to board director Hanspeter Rüfenacht.

**2.2.2 Variable compensation**

On 1 January 2018, the Board of Directors cancelled the variable component based on the EBT. The compensation no longer includes short-term profit sharing.

Service rendered by the Executive Board is taken into account through the variable profit sharing, which is determined by the success achieved by the company. It is measured by earnings before tax (EBT). It is established over the long term and applies over a longer period. The share is calculated using the formula  $(EBT - CHF 15 \text{ million}) \times [\text{factor}]$ , using the following factors: 0.5% for the Chief Executive Officer and 0.3% for the other members of the Executive Board. Profit sharing is limited by the statutes to a maximum of two thirds of basic remuneration. The profit share is payable to members of the Executive Board on the payment day following the approval of the results of Jungfraubahn Holding AG.

The promising investments and the steadily increasing profits of the Jungfrau Railway Group have prompted the Board of Directors to negotiate a new system for profit sharing with the Executive Board. The profit sharing is to start in 2019, starting from a profit of 20 million francs. The formula has been adjusted as follows:  $(EBT - CHF 20 \text{ million}) \times [\text{factor}]$ .

**2.2.3 Share participation programme**

The Management Board and Executive Board can participate voluntarily in the programme for discounted employee shares, in accordance with the quotas allocated to them. The subscription right is allocated, taking into account the amount approved by the General Meeting and by virtue of the business affiliation at the end of the 3rd quarter. Exercising takes place at a discounted price which is reviewed and re-established annually. The number of subscription rights for the Management Board is also determined by a maximum amount for the share. This is determined in such a way that the total remuneration comes within a defined target range based on the position [13].

**[13]**

Applicable for the 2018/2019 compensation for the first time.

The subscription period runs for 60 days in which the beneficiaries must decide how many shares they wish to purchase. The guideline for the subscription price is one-third of the average price in December of the previous year, which can be adjusted, if necessary (major price changes), during the year until 15 September at the latest [14]. The shares cannot be sold or pledged during a vesting period of 5 years. The difference between the reference price and the exchange rate, determined according to circular no. 37 of the Federal Tax Administration, is shown as a remuneration component

**[14]**

In accordance with the amendment of the Management Board of Jungfraubahn Holding AG on 26 February 2018.

**2.3 OCCUPATIONAL PENSION PLAN OF THE EXECUTIVE BOARD**

The basic salaries of the members of the Executive Board are insured in the Jungfrau Railways Staff Pension Fund. An insurance solution for the variable components is in place with a life insurance company.

## 3. DETERMINATION PROCEDURES

### 3.1 ORGANISATION

The Management Board of Jungfraubahn Holding AG is responsible for the overall management, supervision and control of the Executive Board throughout the Jungfrau Railway Group. According to Article 21 of the statutes, it may appoint support committees. The duties of the Management Board and committees are regulated by the statutes, the organisational regulations and the regulations of the committees. The Management Board is assisted by a Remuneration Committee in matters of compensation. The members are determined by the General Meeting through corresponding legal provisions (VegüV). In accordance with the proposals of the Management Board, the General Meeting of 2018 elected Mr Thomas Bieger (Chairman), Peter Baumann and Hanspeter Rüfenacht onto the Remuneration Committee for one year. They are all independent and “non-executive”. The secretary of the committee is Urs Kessler, Chief Executive Officer.

According to art. 21 para. 2 of the statutes, the Committee has the power to make proposals and implementations. Within the framework of the General Meeting resolution, it establishes the employment contracts or remuneration of the members of the Executive Board (except the CEO) as part of its implementation powers. Subject to the amount approved by the General Meeting, the Committee shall determine the subscription rights and the subscription price for discounted shares (section 2.2.3). In addition, decisions on remuneration are to be decided by the General Management Board, as far as the Management Board and the Executive Board are concerned, as well as the corresponding motions to the General Meeting.

### 3.2 PROCEDURE

Remuneration questions are always prepared at the Remuneration Committee. In accordance with special regulations, the Remuneration Committee draws up the general remuneration policy of the company (Management Board, management and staff) and submits proposals for the implementation of the General Meeting decision into specific remuneration for the Management Board and CEO as well as a draft proposal for compensation to the General Meeting. It also works out the remuneration report, which is submitted to the General Meeting for information purposes.

The Remuneration Committee meets at least twice a year. It compares the compensation against a benchmark. The constantly updated comparison has a broad basis. It is based on information on remuneration from listed companies in Bern as well as companies in the railway and tourism sector. The Remuneration Committee also makes its decisions within the framework of the implementation powers conferred upon it. Among other things, it sets the number of subscription rights and the price in the share purchase programme in accordance with the amount approved by the General Meeting.

At every meeting of the Management Board following a meeting of the Committee, the Committee shall provide an extensive report to the Management Board. Within this framework, among other things, an exchange regarding the results of the compensation benchmark and the structure of the share participation programme takes place. In addition, an overall assessment of the compensation system and its effectiveness is made.

At the end of each year, the Management Board is primarily concerned with the compensation of the Executive Board, the other managers and, in a supervisory sense, the remuneration principles for the entire staff. The Management Board generally assesses its own activities and compensation as part of the annual analysis of the business results and the review of its strategies. This cycle does not prevent it from raising, in the short term, remuneration questions or issuing appropriate clarification orders.

### **3.3 RULES**

The principles for the compensation of the Management Board and Executive Board are set out in a special chapter in the Organisational Regulations (Article 24a et seq.) The compensation scheme of Jungfraubahn Holding AG reconciles the interests of the recipients of the compensation with the interests of the company and supports the implementation of the strategy (see paragraph 2 of the Remuneration Report). It is not intended to provide any false incentives and does not include components that can be adversely influenced. The requirements profile of the Management Board forms the basis for determining the fees. This is constantly compared with the actual status and scrutinised periodically.

The remuneration system of Jungfraubahn Holding AG is designed for consistency and reliability. Variable compensation is also based on criteria and objectives that are defined in advance and usually in the long term. Correspondingly, there are binding rules for profit sharing and the participation programme. Subsequent voluntary special bonuses are established by the Board only to a modest extent and in exceptional cases.

## 4. REMUNERATION IN THE REPORTING YEAR 2018

### 4.1 MEASUREMENT

Compared with 2017, the following reorganisation of the remuneration was undertaken:

- After the Board of Directors dispensed with the profit-sharing scheme in 2017, it has now been definitively terminated with the adoption of new regulations.
- Introduction of a cost ceiling for the total compensation of the Executive Board. The Compensation Committee had to deal with the fact that the compensation of the Executive Board, due to the profit growth and the increase of the share price in a market comparison, reached an upper limit of the comparison band. It has therefore requested that the Board of Directors introduce a cost ceiling for the total compensation. The Board of Directors has included the following caps in contracts effective from 2019: CEO CHF 800,000, Executive Board Members CHF 500,000. Members of the Executive Board have approved an early introduction for the year 2018, whereby the Board of Directors pays another allowance for years of service to the CEO outside these limits. In addition, due to the receipt of the building permit for the V-Cableway, a one-time bonus of CHF 25,000 will be paid.

The detailed information on remuneration in the reporting year 2018 is shown in 4.2 in tabular form.

The Executive Board is also entrusted with the management of Berner Oberland-Bahnen AG within the framework of its activities. The alliance partner bears 28.5% of the fixed component of the remuneration reported for the Executive Board members.

The EBT (Earnings Before Taxes) applicable to the calculation of the share of the company result amounts to CHF 60.962 million for the 2018 financial year.

The subscription rights for the purchase of discounted shares remained unchanged for 2018: Management Board members 750 shares, Chief Executive Officer 2000 shares, Executive Board members 1200 shares. The shares issued could be purchased at a preferential price of CHF 43 applicable to all Group employees. The reference date for the subscription and therefore also for the calculation of the value of this remuneration component was 2 October 2018. The share price was CHF 140.00, which means that the relevant rate after deduction of 25.274% (circular No. 37 of the Swiss Tax Administration) was CHF 104.60. The difference between the subscription price and the discounted value is thus CHF 61.60. This amount, multiplied by the individual number of shares, is reported as a remuneration component. The following numbers of shares were ultimately issued to members of the company management in 2018:

	Shares
Sales to Executive Board members at the price of CHF 43	3,350
Sales to non-executives (Management Board) at the price of CHF 43	4,500
<b>Total shares</b>	<b>7,850</b>

The 2018 Annual General Meeting approved a remuneration of CHF 750,000 for the Management Board for the term until 2019 AGM. The total amount paid to the Board of Directors for 2018 amounts to CHF 663,079, of which 7/12 relates to the period from the 2018 Annual General Meeting, which corresponds to CHF 386,796. It is projected that the remuneration will not exceed the total amount approved by the 2018 AGM until the 2019 AGM.

The total amount paid to the Executive Board for the 2018 financial year is CHF 1,827,305. The sum granted for the 2018 financial year at the 2017 General Meeting amounts to CHF 2,280,000.

## 4.2 REMUNERATION OVERVIEW

### Members of the Board of Directors 2018

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Prof. Dr. Thomas Bieger, Chairman	Ueli Winzenried, Vice-Chairman	Peter Baumann, Member	Nils Graf, Member	Bruno Hofweber, Member [1]	Dr. Catrina Luchsinger Gähwiler, Member [2]	Hanspeter Rüfenacht, Member [3]	Board total
Fixed remuneration (cash)	104,800	60,100	45,500	45,000	18,250	26,750	45,500	345,900
Shares	46,200	46,200	46,200	46,200	0	46,200	46,200	277,200
Contributions in kind	510	755	555	755	0	455	400	3,430
Social insurance contributions	9,413	6,658	5,743	5,724	1,136	4,569	3,306	36,549
<b>Total remuneration</b>	<b>160,923</b>	<b>113,713</b>	<b>97,998</b>	<b>97,679</b>	<b>19,386</b>	<b>77,974</b>	<b>95,406</b>	<b>663,079</b>

[1] Resignation on 14/05/2018. [2] Election to the Board of Directors on 14/05/2018. [3] A part of the fixed remuneration (fee and expenses allowance) of Hanspeter Rüfenacht in the amount of CHF 39,000 was paid to his employer BEKB, the attendance fee of CHF 6,500 to him privately. The exercise of the shareholding took place through him privately.

### Members of the Board of Directors 2017

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Prof. Thomas Bieger, Chairman	Dr. Jürg Rieben, Vice-Chairman [1]	Ueli Winzenried, Vice-Chairman [2]	Peter Baumann, Member	Nils Graf, Member	Bruno Hofweber, Member	Hanspeter Rüfenacht, Member [3]	Board total
Fixed remuneration (cash)	103,300	24,666	53,134	44,000	44,500	44,000	26,250	339,850
Shares	47,550	0	47,550	47,550	47,550	47,550	47,550	285,300
Contributions in kind	510	0	400	555	755	755	0	2,975
Social insurance contributions	9,404	1,213	6,289	5,734	5,777	5,746	3,178	37,341
<b>Total remuneration</b>	<b>160,764</b>	<b>25,879</b>	<b>107,373</b>	<b>97,839</b>	<b>98,582</b>	<b>98,051</b>	<b>76,978</b>	<b>665,466</b>

[1] Resignation on 22/05/2017. [2] Vice-Chairman on the Board of Directors since 22/05/2017. [3] Election to the Board of Directors on 22/05/2017. A part of the fixed remuneration (fee and expenses allowance) of Hanspeter Rüfenacht in the amount of CHF 22,750 was paid to his employer BEKB, the attendance fee of CHF 3,500 to him privately. The exercise of the shareholding took place through him privately.

### Member of the Executive Board 2018

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Highest total compensation: Urs Kessler, Chairman of the Executive Board	Executive Board total
Fixed remuneration (cash)	358,645	772,890
Variable profit sharing (cash)	200,843	476,576
Shares	123,200	206,360
Contributions in kind	2,553	6,933
Social insurance contributions	170,232	364,546
<b>Total remuneration</b>	<b>855,473</b>	<b>1,827,305</b>

### Member of the Executive Board 2017

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF		Highest total compensation: Urs Kessler, Chairman of the Executive Board	Executive Board total [1]
Fixed remuneration (cash)	352,800		878,647
Variable profit sharing (cash)	189,835		465,096
Shares	126,800		250,430
Contributions in kind	2,340		6,968
Social insurance contributions	137,724		336,129
<b>Total remuneration</b>	<b>809,499</b>		<b>1,937,270</b>

[1] Retirement of Jürg Lauper on 31/5/2017.

## 4.3 LOANS AND CREDITS

There were no loans in the year 2018 for members of the Board of Directors or Executive Board.



## AUDITOR'S REPORT ON THE REMUNERATION REPORT

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2018 and the financial statements for 2018 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2018 remuneration report and corporate governance information.

## CORPORATE GOVERNANCE

### INTRODUCTION

We place constructive dialogue with our stakeholders at the centre of corporate governance. The corporate governance of the Jungfrau Railway Group is based on the “Swiss Code of Best Practice” of “economie suisse”. As a relatively small company, we must ensure that management and supervisory tools do not lead to unacceptable overheads. Our solutions are adapted to the needs of the company according to the principle of proportionality.

The following information on corporate governance has been structured in accordance with the guidelines of SIX Swiss Exchange (RLCG). In various places, the statutes and the organisational regulations are referred to, these can be downloaded at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>. The disclosures in the Corporate Governance Report refer to the status at 31 December 2018. Any significant changes occurring after this deadline, but before the editorial deadline, are identified as such. The corporate governance guidelines are merely the formal foundation of a comprehensive concept of fair and transparent behaviour. Only with a positive attitude towards this idea can something be achieved. The focus is on an open and regular exchange of opinions and information. The people behind the Jungfrau Railway Group, from company management to staff, strive to maintain contact and the constructive dialogue with all stakeholders.



## 1. GROUP STRUCTURE AND SHAREHOLDERS

### 1.1 GROUP STRUCTURE

#### 1.1.1 Operational group structure

The subsidiary companies of Jungfraubahn Holding AG (Jungfrau Railway Group) cooperate closely with Berner Oberland-Bahnen AG (BOB), which is majority owned by the federal and cantonal governments. Jungfraubahn Holding AG (JBH) only holds 8% of BOB shares and does not participate on its Management Board.

The cooperation is ensured by Jungfraubahnen Management AG (shares: JBH 67%, BOB 33%). The operating consortium is a virtual whole company. This benefits from synergies, especially in the areas of management, marketing, railway and heavy-current technology.

Collectively, the companies involved act under the name "Jungfrau – Top of Europe". The organisational chart of the operational structure of Jungfraubahn Holding AG can be found in the chapter "The holding company".

#### 1.1.2 Listed companies

The only listed company in the consolidated entity is Jungfraubahn Holding AG, CH-3800 Interlaken. Its registered shares are listed on the SIX Swiss Exchange in Zurich (security number 1 787 578, ISIN CH0017875789). With a closing share price of CHF 125.50 on 31 December 2018, Jungfraubahn Holding AG has a market capitalisation of CHF 732,292,500.

#### 1.1.3 Non-listed companies

The following non-listed companies are part of Jungfraubahn Holding AG's consolidated entity:

Company	Registered office	Share capital as at 31/12/2018/CHF	Voting share of JBH/per cent
Jungfraubahn AG	Interlaken	10,000,000	100
Wengernalpbahn AG	Interlaken	10,000,000	100
Firstbahn AG	Grindelwald	10,000,000	100
Parkhaus Lauterbrunnen AG	Lauterbrunnen	1,000,000	100
Jungfrau Gastronomie AG	Interlaken	100,000	100
Mürrenbahn AG	Grütschalp	100,000	100
Bergbahn Lauterbrunnen-Mürren AG	Interlaken	1,800,000	94
Harderbahn AG	Interlaken	705,000	88
Grindelwald Grund Infrastruktur AG	Grindelwald	100,000	80
Jungfraubahnen Management AG	Interlaken	100,000	67
Sphinx AG Jungfraujoch	Fieschertal	52,500	57

## 1.2 SIGNIFICANT SHAREHOLDERS

On the cut-off date of 31 December 2018, the following shareholders were included in the share register with a holding of more than 3% of total capital:

Aktionär	Anteil
BEKB I BCBE (Berner Kantonalbank)	14,15%
Gebäudeversicherung Bern	7,40%
JSP Sicherheitsdienste Alarmempfang und Intervention (Schweiz AG) vormals Securitas Investment AG	4,71%
Erwin Reinhardt, Muri b. Bern (direkt und als wirtschaftl. Berechtigter der Montalto Holding AG und Epicea Holding AG, Zug)	4,37%
Martin Haefner	4,0%

## 1.3 CROSS-INVESTMENTS

None of the companies in which Jungfraubahn Holding AG holds more than 5% of shares is a major shareholder of Jungfraubahn Holding AG.

## **2. CAPITAL STRUCTURE**

### **2.1 CAPITAL**

The share capital of Jungfraubahn Holding AG amounts to CHF 8,752,500. Further information on the capital can be found in the balance sheets (balance sheet and consolidated balance sheet of Jungfraubahn Holding AG) published in the annual report and the accompanying notes in the appendices.

### **2.2 AUTHORISED AND CONTINGENT CAPITAL**

There are currently no provisions in the statutes of Jungfraubahn Holding AG on authorised or contingent share capital.

### **2.3 CHANGES IN CAPITAL IN THE LAST THREE YEARS**

There have been no changes in the capital of Jungfraubahn Holding AG in the last three years.

### **2.4 SHARES AND PARTICIPATION CERTIFICATES**

The share capital is divided into 5,835,000 fully paid registered shares with a nominal value of CHF 1.50 (single share, security number: 1 787 578). Entry in the share register is a prerequisite for exercising voting rights. Shares are issued in the form of a value right and managed as a book-entry security. All shares are entitled to dividends.

Further information on the shares can be found in the Notes to the financial statements of Jungfraubahn Holding AG (holdings in own shares, share numbers) and online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>.

Jungfraubahn Holding AG has no participation capital.

### **2.5 PROFIT PARTICIPATION CERTIFICATES**

Jungfraubahn Holding AG has no profit participation certificates.

## **2.6 LIMITATION OF TRANSFERABILITY AND NOMINEE REGISTRATIONS**

### **2.6.1 Limitation of transferability and derogation**

Art. 5 para. 3 (a) of the statutes contains the following entry restriction:

“The Board of Directors may refuse to register an acquisition as a shareholder with voting rights if an individual shareholder owns more than 5 per cent of the share capital of the company, whereby legal persons and partnerships, other groups of persons who are interrelated to each other or joint ownership relationships, which are mutually agreed by a single management or are connected in any other way, as well as natural or legal persons or partnerships which proceed with a view to circumventing the limitation of entry (in particular as a syndicate) with regard to the entry in the share register as a shareholder; article 685d para. 3 of the Swiss Code of Obligations remains reserved. The limitation of entry as set out in this section shall also apply to the establishment of a usufruct as well as shares subscribed or acquired through the exercise of a subscription, option or conversion right.”

The Management Board makes use of the competence conferred on it by the statutes (“The Management Board may...”) and allows entries of voting rights (see article 685f para. 2 as well as 3 of the Swiss Code of Obligations) on a regular basis only if the quorum of 5 per cent is not exceeded.

### **2.6.2 Nominee entries**

Art. 5 para. 3 (b) of the statutes grants the Board of Directors the right to reject entries if the shareholder does not explicitly declare that he has acquired the shares in his own name and on his own account. No nominee entries are therefore made in the share register of Jungfraubahn Holding AG. As a rule, entry requests already contain a corresponding confirmation from the shareholder. If this is not the case, this is required under the statutes.

### **2.6.3 Procedure for lifting the restriction of transferability**

To lift the restriction of transferability, a change in the statutes is required by the General Meeting. To this end, article 15 para. 3 of the statutes sets forth a quorum of two-thirds of the votes represented.

## **2.7 Convertible bonds and options**

Jungfraubahn Holding AG has not accepted any convertible bonds and has no options outstanding.

### 3. MANAGEMENT BOARD

#### 3.1 MEMBER OF THE MANAGEMENT BOARD (INCL. SECTION 3.2 OTHER ACTIVITIES AND INTERESTS)

The following information on the Management Board relates to the 31 December 2018 [. At the 2018 Annual General Meeting, Dr. iur. Catrina Luchsinger Gähwiler was elected to the Board of Directors as successor to Bruno Hofweber, who announced his resignation after 9 years of membership. You will find constantly updated information online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/board-of-directors/>.

The Management Board of Jungfraubahn Holding AG consists of six members.

**Prof. Dr. Thomas Bieger** (1961, CH), Chairman

**1** Completed studies as rer. pol. University of Basel, doctorate (1987); Professor of Business Administration and Tourism, University of St. Gallen (1996) **2** Activities at the Universities of Basel and Innsbruck; Lecturer and member of the school management at HWV Lucerne and Chur; Director and manager Middle School and Samedan Tourism School, teaching; Guest professorships and fellowships Simon Fraser University Vancouver, Vienna University of Economics and Business, University of Lugano, University of Otago; Professor at University of St. Gallen; various management board mandates **3** Rector of the University of St. Gallen; Full Professor, University of St. Gallen; Director of the Institute for Systemic Management and Public Governance **4** Chairman of the Remuneration Committee; Chairman of Jungfraubahnen Management AG **5** None **6** Chairman of Schweiz. Gesellschaft für Hotelkredit **7** Member of the Awarding Body EQUIS Accreditation **8** None **9** Non-executive **10** None

**Ueli Winzenried** (1955, CH), Vice Chairman

**1** Business economist HWV **2** Employed for 19 years in a managerial function with F. Hoffmann – La Roche inside and outside Switzerland, the last four as Director and member of Diagnostics Division Management, responsible for international sales and marketing activities including global logistics. **3** Chairman of the Executive Committee for Gebäudeversicherung Bern (GVB) **4** Chairman of the Auditing Committee, Management Board member Jungfraubahnen Management AG **5** Business relations with Gebäudeversicherung Bern / GVB Privatversicherungen AG **6** Management Board Kongress + Kursaal Bern AG (incl. subsidiaries); Member of the Board of Trustees of Jungfrau Railways; Foundation Council ahal; Foundation board Creaviva; Foundation Board WWF Switzerland **7** Chairman of the Trade and Industry Association of the Canton of Bern; Chairman of the Trade and Industry Association of the Canton of Bern **8** None **9** Non-executive **10** None

**Peter Baumann** (1956, CH)

**1** 1980 Graduated with diploma in cultural engineering ETH; 1989 INSEAD Executive Program; 1994 Swiss course for company management (SKU) **2** 1981–1988 Basler & Hofmann AG, consultant engineers and

planners in Zurich; 1988–1996 Von Roll Transportsysteme AG Thun (from 1991 Von Roll Seilbahnen AG); 1996–1997 Mecaplex AG Grenchen; 1997–2002 Doppelmayr-Seilbahnen AG, Switzerland; since 2002 Garaventa AG, Rotkreuz, cableway construction **3** Regional Manager LATAM Doppelmayr/Garaventa Group **4** Member of the remuneration committee **5** Garaventa AG Is a supplier of cableways for Jungfrau Railways **6** Board member Garaventa AG; Board member CWA Constructions SA Corp., Olten; Board member Mecaplex AG, Grenchen **7** None **8** Grindelwald Town Council **9** Non-executive **10** None

#### **Nils Graf** (1956, CH)

**1** Apprenticeship as bricklayer; training college for foremen; various courses for further training; graduated with federal diploma as a foreman from the Swiss Building School in Aarau **2** Since 1982 co-owner Graf AG, construction & civil engineering, wood construction in Wengen **3** Co-owner Graf AG, construction & civil engineering, wood construction in Wengen **4** Member of the audit committee **5** Various contracts in construction and civil engineering **6** Chairman of the Board of Directors of Beo Bauservice AG; Chairman of Graf Bauberatung GmbH; Vice-Chairman of Graf AG **7** Senator of the Junior Chamber International **8** Lauterbrunnen Town Council; Mountain Clerk of the Wengernalp Alpine Cooperative; Secretary of the Wengen Ski Slope Committee **9** Non-executive **10** None

#### **Catrina Luchsinger Gähwiler** (1967, CH / GB)

**1** 1991 Law studies at the University of Zurich; Degree lic. iur.; 1995 Bar exam in the canton of Zurich; 2004 Ph.D. iur. **2** 1996–2000 Lawyer at internationally-oriented Zurich law firms; from January 2012 to December 2016 Managing Partner of law firm Froriep; Lawyer (since 2000) and Partner (since 2007) at Froriep Legal AG, Zurich **3** Lawyer **4** Member of the Audit Committee **5** None **6** VR Baader Helvea AG (Zurich); Nova Property Management AG (Zurich); Brevalia AG (Zurich); Foundation Board Member Stiftung Sanitas **7** Member of the International Bar Association; member of the International Pacific Bar Association (Vice-Chair of the Banking and Finance Committees); member of the Swiss-Asian Chamber of Commerce **8** None **9** Non-executive **10** None

#### **Hanspeter Rüfenacht** (1958, CH)

**1** Vocational training, Berufsmittelschule KV Bern (vocational training college); Business economist HWV **2** 1974–1999 Swiss Bank Corporation / UBS AG, various executive functions in the private and corporate client business as well as in credit management; since 1999 Berner Kantonalbank AG, initially as Head of Credit Management, from 2002 Member of the Executive Board and Head of the Consulting and Sales department, since 01/01/2012 Chairman of the Executive Board **3** CEO/Chairman of the Executive Board of Berner Kantonalbank AG **4** Member of the Compensation Committee **5** None **6** Member of the Swiss Association of Cantonal Banks (VSKB) **7** President of the Economic Society of the Canton of Bern (VWG Bern); Member of the board of the Trade and Industry Association of the Canton of Bern (HIV) **8** None **9** Non-executive **10** None

#### **[15]**

**1** Training / qualifications **2** Professional career **3** Main occupation **4** Societies / committees **5** Business relationship with Jungfrau Railways **6** Leadership and supervisory activities **7** Activities for vested interests **8** Official functions, political offices **9** Operational management duties **10** Past activities for Jungfrau Railways



## 3.2 OTHER ACTIVITIES AND INTERESTS

See section 3.1.

## 3.3 NUMBER OF APPROVED MANDATES

The number of mandates in the upper management and administrative bodies of legal entities outside the Group to be entered into the Swiss commercial register or a comparable foreign register is limited for members of the Management Board to three mandates in listed companies, ten mandates in non-listed companies and twenty mandates in other legal entities such as foundations and associations (art. 17 of the statutes of Jungfraubahn Holding AG).

## 3.4 ELECTION AND TERM OF OFFICE

### 3.4.1 Principles of the electoral process

The General Meeting elects all Directors, the Chairman and the members of the Remuneration Committee annually and in a single election (Article 17 of the statutes of Jungfraubahn Holding AG, according to VegüV).

In accordance with the organisational regulations of the Management Board, the following limitations apply:

“The age limit is set at 70 years, i.e. at the AGM of the year in which the mandate holder reaches the age of 70, the resignation from the Management Board has to be effected.”

## 3.5 INTERNAL ORGANISATION

The Management Board, with the exception of the Chairman and the members of the Remuneration Committee, is constituted with regard to ranking and the composition of the committees themselves. Christoph Schläppi (non-member) has been elected as secretary.

### 3.5.1 Division of responsibilities on the Management Board

The Chairman of the Management Board, in the event of impediment of the Vice Chairman, shall lead the Board, chair the Board meetings as well as the General Meeting. He is an important contact for the Chief Executive Officer in all aspects of company management. The other members of the Management Board shall perform the same tasks and responsibilities in the plenary session. The Board is supported by specialist committees formed from among its members. They analyse specific areas in depth and report on the preparation of resolutions or the exercise of their supervisory function. For details, see the rules for the respective committee.

### 3.5.2 The committees in detail

#### Audit Committee:

Ueli Winzenried, Chairman; Nils Graf, Catrina Luchsinger Gähwiler

In particular, the Audit Committee has the following tasks:

- Assessment of the semi-annual and annual accounts;
- Assessment of the organisation of internal financial controls and external auditing;
- Assessment of the independence, performance and compensation of external auditors and the compatibility of consultancy mandates with auditing activities.

The Audit Committee does not carry out any audits itself.

#### Remuneration committee:

Prof. Thomas Bieger, Chairman; Peter Baumann, Hanspeter Rüfenacht

In principle, the Remuneration Committee has the authority to make proposals and implement them. The Remuneration Committee is also responsible for the employment contracts of the members of the Executive Board. For additional authorisation procedures, the organisational regulations refer to the regulations of the Remuneration Committee. According to this, the committee decides definitively on the remuneration of the extended Executive Board, the reference price and claim for discounted shares for managers and employees, as well as the approval of additional activities by the Executive Board and extended Executive Board. In addition, the Remuneration Committee ensures that a regular benchmark (at least once a year) of the compensation takes place with comparable listed companies and Bern-based companies, a periodic comparison is made between the requirements profile of the Management Board and the actual status, a discussion of the substitution and succession planning for members of the Executive Board, the extended Executive Board and possibly other key personnel is held with the Chairman of the Executive Board, employees are regularly evaluated and a self-assessment of the work in the Remuneration Committee takes place.

The Remuneration Committee shall make the following preparations for the Management Board:

- Defining the remuneration policy as a whole (board of directors, managers, staff)
- Proposal for the implementation of the AGM resolution regarding compensation in concrete remuneration for the Board of Directors and CEO.
- Preparation of the remuneration proposals for the Annual General Meeting
- Preparation of compensation report
- Preparation of review proposals for the statutes regarding the principles for the remuneration of the members of the Management Board and the Executive Board.
- One-off, voluntary bonuses for staff (principle, framework)

### 3.5.3 Operation of the Management Board

As a rule, the Management Board meets five times a year, once for a two-day strategy meeting. Decisions are taken by the Management Board as a whole (simple majority of those present). The CEO attends the meetings of the Management Board in an advisory capacity. In addition, the meeting is attended by those responsible for a specific business. The invitation to the meetings of the Management Board will list all the subjects to be dealt with. The participants will receive written documentation in advance. In urgent cases and subject to certain restrictive formalities, resolutions can also be passed by means of a circular letter. The Management Board has direct access to the Intranet of Jungfrau Railways and the session preparation tool Diligent where it is given access to the documents of the current and previous meetings. During the course of the year, the Management Board abides by the following cycle of successive analyses and decision-making steps:

- Strategy control and risk assessment
- Working out / customising the business plan
- Budgeting based on the business plan
- Investment decisions
- Analysis of the result

In the reporting year, six Management Board meetings were held, including one two-day meeting, three meetings of the Audit Committee and four of the Remuneration Committee.

## 3.6 REGULATION OF AREAS OF RESPONSIBILITY

The Management Board of Jungfraubahn Holding AG is responsible for the overall management, supervision and control of the Executive Board throughout the Jungfrau Railway Group.

The tasks of the Management Board are laid down in the statutes and in the organisational regulations. It is authorised to make decisions in all matters that are not expressly transferred to or reserved for the General Meeting or other corporate bodies by law, under the statutes or the organisational regulations. The Organisational Regulations contain a detailed allocation of areas of responsibility between the Management Board and the Executive Board, which takes account of the legal requirements (Swiss Code of Obligations 716a) and is regularly observed in day-to-day business. Rules for insider prevention and disclosure requirements for management transactions can be found in the appendices. The organisational regulations, which also contain a table summary of the responsibilities of the Management Board and Executive Board as well as a summary of the project management, can be found online at: <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>.

The Management Board has directors and officers insurance. The corresponding premiums are borne by the Company.

### 3.7 INFORMATION AND CONTROL INSTRUMENTS

The Management Board will be reported to in an open and timely manner (responsible: Chief Executive Officer). This takes place in the form of verbal orientations at board meetings (standard tracts for CEO and CFO) and special reporting for large projects (annual project status and project account upon conclusion). In the case of special events, the Management Board shall be notified immediately in an appropriate form.

The Chairman of the Management Board and the Chief Executive Officer shall communicate weekly and advise each other regularly of all significant transactions.

Jungfrau Railways has an "ISO 9001:2015" certified management system. This also meets the requirements of the quality seal (level 3) of Schweiz Tourismus and integrates the process organisation, the work instructions, the internal control system (ICS), the risk management and quality assurance into a uniform management instrument.

The Jungfrau Railways has a performance measurement system (LMS) that contains key figures on business development, finances and general conditions. This is updated continuously. Reports to the Management Board include the most important key figures.

## 4. EXECUTIVE BOARD

### 4.1 MEMBER OF THE EXECUTIVE BOARD (INCL. FIGURE 4.2 OTHER ACTIVITIES AND INTERESTS)

The following information on the Executive Board refers to 31 December 2018 [16]. You will find constantly updated information online at <http://www.jungfrau.ch/en-gb/corporate/jungfrau-railways/alliance-jungfrau-top-of-europe/management/>.

#### Urs Kessler (1962, CH)

1 Qualified at Advanced College of Commerce; operations manager; qualified sales trainer; diploma as Marketing Planner; Federal diploma as Marketing Manager; SKU course in Company Management 2 Operational management and sales at several Swiss railway stations; various managerial functions at BLS with emphasis on marketing; joined Jungfrau Railways in 1987 3 Chairman of the Executive Board Jungfrau Railways 4 Chairman of the Board of Directors of subsidiaries (WAB, JB, FB, PHL, BLM, HB, MB, GGI, JGA) 5 None 6 Management Board Congress Centre Kursaal Interlaken AG 7 Board of Trade and Industry Union of the canton of Bern; Board Member of Interlaken Tourismus (TOI), RAILplus Board of Directors; Member of Strategieausschuss Direkter Verkehr (StAD, Direct Transport Strategy Committee); Board of Directors BE! Tourismus AG; öV Preis- und Vertriebsgesellschaft AG Board of Directors 8 None 9 Chairman of the Executive Board 10 Joined as employee in sales promotion; became Head of "Commercial Services" in 1990; Head of the new Marketing and Operations department, elected to company management in 1994

#### Christoph Schläppi (1959, CH)

1 Lawyer; Management for the Legal Profession HSG 2 Lawyer in Interlaken; 1996 Joined Jungfrau Railways 3 Member of the Executive Board Jungfraubahnen 4 Management Board of subsidiaries (WAB, JB, PHL, FB, SPX, BLM, HB, MB, GGI, JGA) 5 None 6 Vice-Chairman of the Management Board of Gondelbahn Grindelwald-Männlichen AG; Member of the pension committee Gondelbahn Grindelwald-Männlichen AG; Member of the Administration Cooperative Mönchsjochehütte, Secretary; Member of the Management Board Bank EKI; Chairman of the Audit Committee Bank EKI 7 Representative of the VöV on the Board of Trustees Swiss Accident Prevention Commission for Snowsports Runs (SKUS) 8 None 9 Corporate Secretary 10 Admission as Management Secretary (later Head of the Management Department) and Secretary of the Board of Directors, until 31/12/2017 Head of Corporate Services

#### Christoph Seiler (1969, CH)

1 lic. rer. pol.; Rochester-Bern Executive MBA Program 2 Various positions in the banking industry; Loeb Holding AG, Bern, most recently as CFO; joined Jungfrau Railways in 2002 3 Member of the Jungfrau Railways Executive Board 4 Board of Directors of subsidiaries (PHL, BLM, HB, JB, WAB, MB, GGI, JGA) 5 None 6 Chairman of the Foundation Board of Jungfrau Railways Staff Pension Fund; Foundation Board for the Mürren Sports Facilities Foundation; Board of Directors Seiler AG, Bönigen 7 Chairman of Swiss Athletics 8 None 9 Head of Finance & Controlling Department (CFO) 10 None

**[16]**

1 Training / qualifications 2 Professional career 3 Main occupation 4 Societies / committees 5 Business relationship with Jungfrau Railways 6 Leadership and supervisory activities 7 Activities for vested interests 8 Official functions, political offices 9 Operational management duties 10 Past activities for Jungfrau Railways

**4.2 OTHER ACTIVITIES AND INTERESTS**

See figure 4.1.

**4.3 NUMBER OF APPROVED MANDATES**

For members of the Executive Board, the limit is one mandate for listed companies, three mandates for non-listed companies and fifteen mandates for other legal entities such as foundations and associations (Art. 17 Statutes of Jungfraubahn Holding AG).

**4.4 MANAGEMENT CONTRACTS**

There are no management contracts, management is fully exercised within the Group.

## 5. COMPENSATION, HOLDINGS AND LOANS

All information on compensation, holdings and loans (content and establishment of the compensation and holding programmes for the Management Board and Executive Board, principles and elements of the compensation and the holding programmes as well as organisation, procedures and rules for the fixing thereof) are set forth in the separate remuneration report.

In the statutes, the following rules regarding compensation, holdings and loans are laid down for the Management Board and Executive Board:

Subject	Management Board	Executive Board
Principles of performance-related remuneration	Art. 20, para. 1	Art. 20, para. 2
Principles of the allocation of equity instruments, conversion rights and option rights	Art. 20, para. 3	Art. 20, para. 3
Rules on loans, credit and pension payments	Art. 20, para. 4 and 5	Art. 20, para. 4 and 5
Rules concerning the general meeting,s vote on remuneration	Art. 14a, para. 1, 2, 3	Art. 14a, paras. 1, 2, 3
Additional amount for the remuneration of Executive Board members who are appointed after the AGM,s vote on remuneration	-	Art. 14a, para. 2

## 6. SHAREHOLDERS' PARTICIPATION RIGHTS

### 6.1 VOTING RIGHTS RESTRICTIONS AND VOTING RIGHTS REPRESENTATION

#### 6.1.1 Voting rights restrictions

The registered share issued by Jungfraubahn Holding AG is a single share class. There is no statutory voting rights restriction. However, the transferability provision in conjunction with the provisions of art. 685f para. 2 and 3 of the Swiss Code of Obligations leads to a factual restriction of voting rights: "Entry into the share register without voting rights" (also see section 2.6.1).

#### 6.1.2 Exceptions to the restriction of voting rights

No remarks.

#### 6.1.3 Lifting voting rights restrictions

No remarks.

#### 6.1.4 Statutory rules for participation in the General Meeting

A shareholder may only be represented at the General Meeting by a legal representative or another shareholder who is participating in the General Meeting and registered in the share register. There is also the possibility of representation by the independent proxy, via written instructions or electronic remote voting. The details on the regulation of instructions to the independent proxy as well as on electronic remote voting are contained in the respective invitation to the General Meeting. In terms of entrance controls to the General Meeting, a legally signed power of attorney is required as a proof of legitimacy for non-individually authorised bodies that want to represent their companies at the General Meeting.

### 6.2 STATUTORY QUORUMS

The statutes of Jungfraubahn Holding AG, in addition to the statutory quorums provided for the following resolutions, also set forth the two-thirds majority and the absolute majority of the nominal value of the shares represented:

- the facilitation of the transferability of registered shares,
- the dissolution (per se) and/or the merger of the company.

### 6.3 CALLING OF THE GENERAL MEETING

The statutes of Jungfraubahn Holding AG comply with the statutory regulations for convening the General Meeting. The Swiss Commercial Gazette is established as the publication organ. The Management Board may determine further publication bodies and invite the shareholders registered in the share register by letter. It has made use of these opportunities without exception since the company has come into existence.



The date of the AGM and also the dates of the deadlines pursuant to sections 6.4 and 6.5 below are published online under <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/calendar/> and are sent to the shareholders in a reminder letter before the General Meeting.

## **6.4 AGENDA**

Shareholders representing 10% or more of the share capital (currently: shares with a nominal value of at least CHF 875,250), may request the inclusion of an item on the agenda, specifying the item to be discussed and the applications. The corresponding request shall be submitted to the Board of Directors in writing and no later than 45 days before the relevant General Meeting (arrival).

## **6.5 ENTRIES IN THE SHARE REGISTER**

Admission to the General Meeting is exclusively for shareholders registered with voting rights in the share register. An invitation will be sent to them by post. The access rights census is conducted approximately two weeks before the General Meeting (the exact date will be published in a letter to the shareholders). After then, no additional entries will be made in the share register until the day of the General Meeting. Shareholders who sell shares during the vesting period lose the associated voting rights. They must have their entry card corrected at access control on the day of the General Meeting.

## **7. CHANGE OF CONTROL AND DEFENCE MEASURES**

There are no special arrangements for a change of control. The legally required obligation to submit a takeover offer remains unchanged. The limit of 33% has not been raised or lowered (no opting up/out).

## 8. AUDITOR

### 8.1 TERM OF MANDATE

#### 8.1.1 Time of transfer

On the occasion of the 2017 General Meeting of Jungfraubahn Holding AG, KPMG AG, Gümligen-Bern, was appointed as auditor. It has held this position since 2004.

Reference to an event after the key date: The 2019 Annual General Meeting will propose the election of BDO AG, Bern as the new auditors for a one-year term.

#### 8.1.2 Appointment of the lead auditor

The auditor (mandate partner) for the year 2018 is Mr Stefan Andres. He has held this office since 2014.

### 8.2 AUDITING FEES

The fees charged by the auditing company for its activities across the entire Jungfrau Railway Group, including audits of the companies in the consolidated entity and audits in connection with railway regulations in 2018, amount to CHF 174,200

### 8.3 ADDITIONAL FEES

KPMG AG, Gümligen-Bern, has not performed any additional services and has therefore not received any additional fees.

### 8.4 SUPERVISORY AND CONTROL TOOLS FOR THE AUDIT

The assessment of the independence, performance and compensation of the external auditors, as well as the compatibility of consultancy mandates with the auditing activities, is one of the duties of the Audit Committee explicitly stated in the Organisational Regulations (section 3.5.2). It shall report regularly to the Management Board. The auditing company was present at all meetings of the Audit Committee.

## 9. INFORMATION POLICY

Jungfraubahn Holding AG pursues a policy of active, open and timely communication with all stakeholders. In this task, company management is supported by extended Executive Board member Patrizia Bickel, who is specifically responsible for communication.

The shareholders of Jungfraubahn Holding AG are actively informed by means of the annual report, the semi-annual financial statements and, if required, by shareholder letters. Share price-relevant facts are published according to the SIX rules on "ad hoc publicity".

On the Jungfrau Railways website, up-to-date information can be accessed in German and English and, among other things, the ad-hoc-Newsletter can be subscribed to. In the company information section (<http://www.jungfrau.ch/en-gb/corporate/jungfrau-railways/jungfraubahn-holding-ag/>) there is a wealth of information and downloads for those who are specifically interested in the company.

Jungfrau Railways informs its employees and the public quickly, actively and transparently about important business processes. The media can contact the company for information at any time. Thanks to its open and service-oriented communication, it creates trust in the company and promotes sales.

### Media contact

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