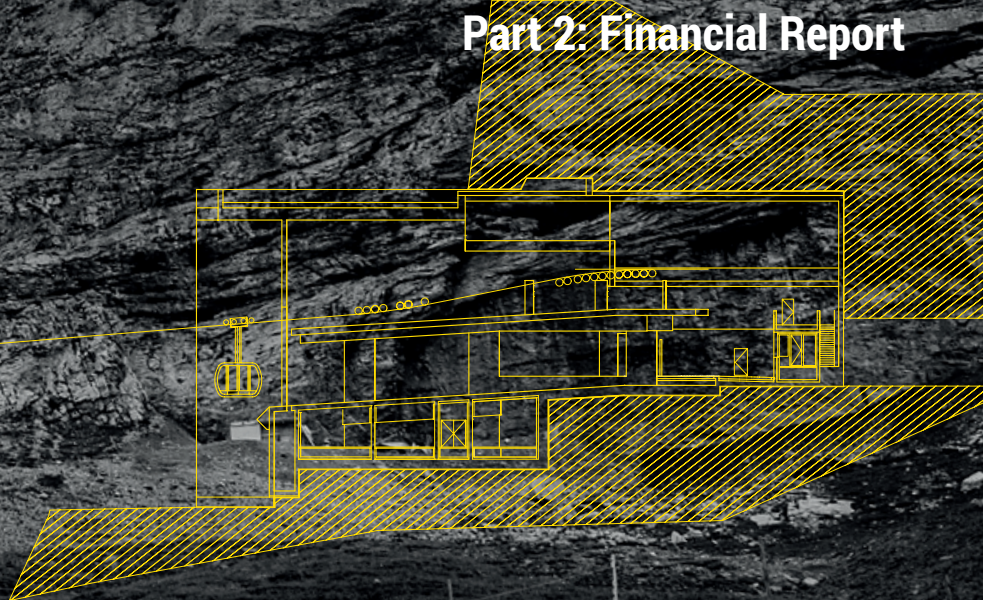


JUNGFRAUBAHN HOLDING AG

ANNUAL REPORT 2018

Part 2: Financial Report



Official Version



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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	%
Assets					
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	
Total current assets		132,099	18.5%	116,387	17.7%
Fixed assets					
Financial assets	4	6,297		6,709	
Tangible assets	5	567,097		524,926	
Intangible assets	6	8,823		8,737	
Total fixed assets		582,217	81.5%	540,372	82.3%
Total Assets		714,316	100.0%	656,759	100.0%
Liabilities					
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	
Total current borrowed capital		62,154	8.7%	42,323	6.4%
Non-current financial liabilities	8	41,271		36,431	
Non-current provisions	10	41,231		42,094	
Total non-current borrowed capital		82,502	11.6%	78,525	12.0%
Total borrowed capital		144,656	20.3%	120,848	18.4%
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	
Equity shareholders of Jungfraubahn Holding AG		565,394		531,525	
Minority interests		4,266		4,386	
Total equity		569,660	79.7%	535,911	81.6%
Total liabilities		714,316	100.0%	656,759	100.0%

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
Total operating income		212,815	193,770
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
Total operating expenses		-117,704	-106,027
EBITDA		95,111	87,743
Depreciation and amortisation			
Depreciation of tangible assets	5	-32,325	-33,399
Amortisation of intangible assets	6	-1,817	-1,306
Total depreciation and amortisation		-34,142	-34,705
EBIT		60,969	53,038
Financial result			
Financial expenses		-364	-533
Results from associated companies		-3	-2
Financial income	21	360	464
Total financial result		-7	-71
Profit before tax		60,962	52,967
Income taxes	22	-13,136	-11,366
Annual profit		47,826	41,601
Shareholders of Jungfraubahn Holding AG		47,914	41,292
Minority interests		-88	309
Result per share			
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
Undiluted and diluted result per share	CHF	8.22	7.09

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
Cash flow before change in net current assets		82,980	78,338
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
Cash flow from operating activities		79,885	63,593
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
Cash flow from investing activities		-63,580	-29,756
Free cash flow		16,305	33,837
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
Cash flow from financing activities		-11,199	-10,394
Change in liquid assets		5,106	23,443
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
Equity at 01/01/2017		8,753	-1,850	-442	495,540	502,001	4,116	506,117
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
Equity at 31/12/2017		8,753	-1,417	-399	524,588	531,525	4,386	535,911
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
Equity at 31/12/2018		8,753	-1,425	-440	558,506	565,394	4,266	569,660

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 %
Segment sales				
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%
Total operating income according to profit and loss account	212,815	193,770	19,045	9.8%
Segment results EBITDA				
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%
Total EBITDA according to the income statement	95,111	87,743	7,368	8.4%

[1] Other segments include, in particular, the Jungfrauahn power station, Jungfraubahnen 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
Jungfrauahn Holding AG, Interlaken	parent company	full consolidation
Jungfrauahn 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
Jungfraubahnen 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
Net value	14,637	9,579
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
Total	21,673	15,796
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
Total	6,615	6,775
Change	-160	

4 Financial investments

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

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
Undeveloped land		1,484	1,945	0	0	0	1,945
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
Total land and buildings		255,308	453,002	6,715	3,846	-2,469	461,094
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
Total facilities		103,437	232,717	9,187	3,254	-6,697	238,461
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
Total vehicles		131,965	246,789	3,968	4,751	-4,729	250,779
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
Total other property, plant and equipment		3,831	14,308	217	0	-287	14,238
Installations under construction		22,923	22,923	54,665	-11,851	0	65,737
Spare parts / material supplies		5,978	13,574	383	0	-745	13,212
Total		524,926	985,258	75,135	0	-14,927	1,045,466

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
Undeveloped land		461	0	0	0	461	1,484
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
Total land and buildings		197,694	11,299	0	-2,469	206,524	254,570
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
Total facilities		129,280	10,209	0	-6,697	132,792	105,669
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
Total vehicles		114,824	9,761	0	-4,729	119,856	130,923
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
Total other property, plant and equipment		10,477	724	0	-287	10,914	3,324
Installations under construction		0	0	0	0	0	65,737
Spare parts / material supplies		7,596	332	0	-106	7,822	5,390
Total		460,332	32,325	0	-14,288	478,369	567,097

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
Undeveloped land		1,484	1,945	0	0	0	1,945
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
Total land and buildings		253,258	440,764	8,568	4,553	-883	453,002
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
Total facilities		103,539	223,992	7,602	2,404	-1,281	232,717
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
Total vehicles		136,287	244,556	5,185	1,161	-4,113	246,789
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
Total other property, plant and equipment		4,356	14,288	216	0	-196	14,308
Installations under construction		21,963	21,963	9,078	-8,118	0	22,923
Spare parts / material supplies		6,722	13,507	822	0	-755	13,574
Total		527,609	961,015	31,471	0	-7,228	985,258

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
Undeveloped land		461	0	0	0	461	1,484
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
Total land and buildings		187,506	11,071	0	-883	197,694	255,308
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
Total facilities		120,453	10,108	0	-1,281	129,280	103,437
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
Total vehicles		108,269	10,668	0	-4,113	114,824	131,965
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
Total other property, plant and equipment		9,932	741	0	-196	10,477	3,831
Installations under construction		0	0	0	0	0	22,923
Spare parts / material supplies		6,785	811	0	0	7,596	5,978
Total		433,406	33,399	0	-6,473	460,332	524,926

6 Intangible assets

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

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
Total	28,169	18,025
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	
Total financial liabilities	42,011	740	0	41,271	124,400	37,171
Liquid funds	87,390					82,284
Net financial assets	45,379					45,113
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
Total	7,589	4,952
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
Book value at 31/12/2017	1,875	100	950	41,144	44,069
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
Book value at 31/12/2018	2,050	0	950	40,281	43,281
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
Total	23,606	16,631
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
Gross transportation revenues	161,783	151,512
Reductions in revenue	-7,950	-7,713
Total	153,833	143,799
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
Total	10,254	10,152
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
Total	8,168	7,857
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
Total	8,943	7,608
Change	1,335	

16 Cost of goods

CHF (thousands)	2018	2017
Souvenir shops	-4,055	-3,395
Dining and accommodation	-1,398	-239
Total	-5,453	-3,634
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
Total	-60,173	-55,276
Change	-4,897	
Employees (full-time positions)	600	542
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
Total persons	888	865
Change	23	
<hr/>		
Expenditure for employee benefit plans in thousands of CHF (included in social expenses)	-4,302	-4,028
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	–
Total		0	0	0	0
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
Total		-4,063	-3,878
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
Total	-49,966	-44,150
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
Total	-13,136	-11,366
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
Total	-13,136	-11,366
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
Investment obligations	34,024	16,881
Sureties, guarantees and pledges in favour of third parties		
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.
Other obligations not to be recognised		
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.

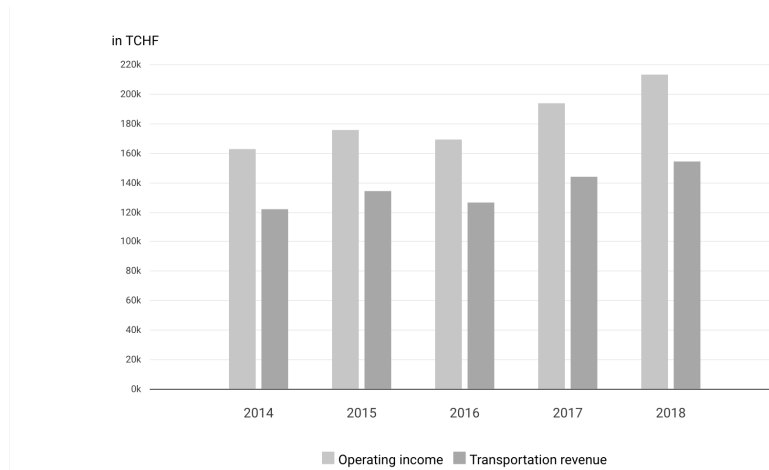
DEVELOPMENT

KEY FIGURES 2014 TO 2018

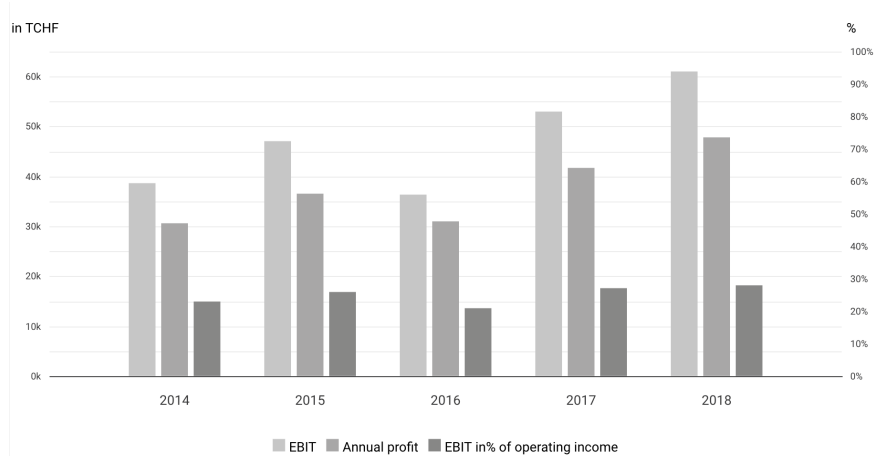
CHF (thousands)	2018	2017	2016	2015	2014
Balance sheet					
Current assets	132,099	116,387	79,613	70,081	66,857
Fixed assets	582,217	540,372	545,691	528,048	502,603
Outside capital	144,656	120,848	119,187	110,658	108,635
Equity	569,660	535,911	506,117	487,471	460,825
Balance sheet total	714,316	656,759	625,304	598,129	569,460
Income statement					
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
Cash flow statement					
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
Key figures					
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

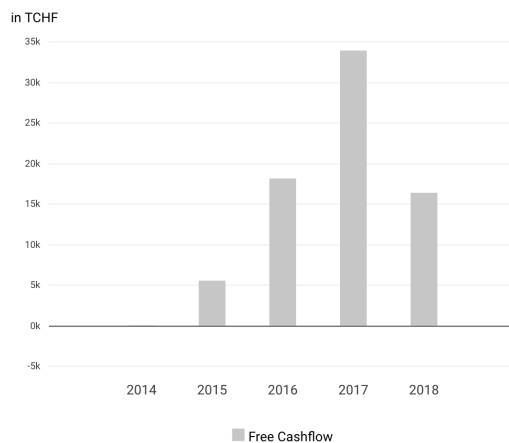
Operating income / transportation revenue



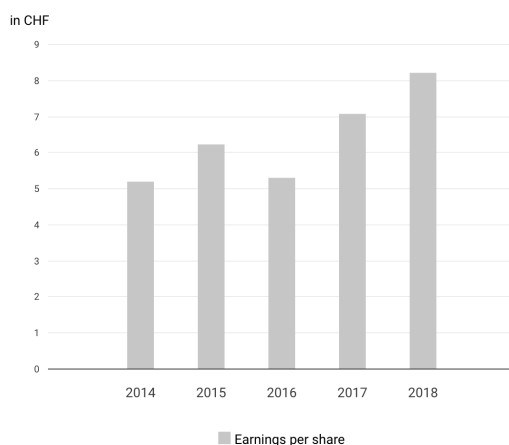
Results



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

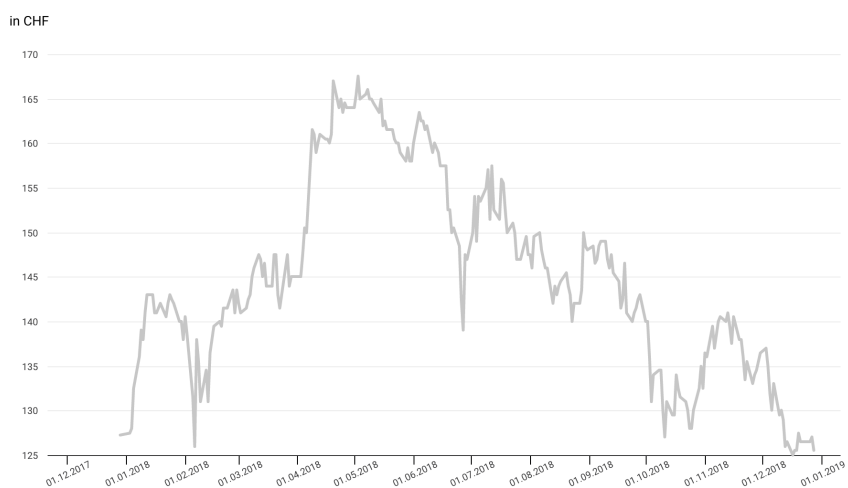
High	167.50	134.70	110.50	100.80	82.80
Low	123.50	95.10	88.80	70.70	65.65
Year-end price	125.50	127.20	97.50	94.85	75.50

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%

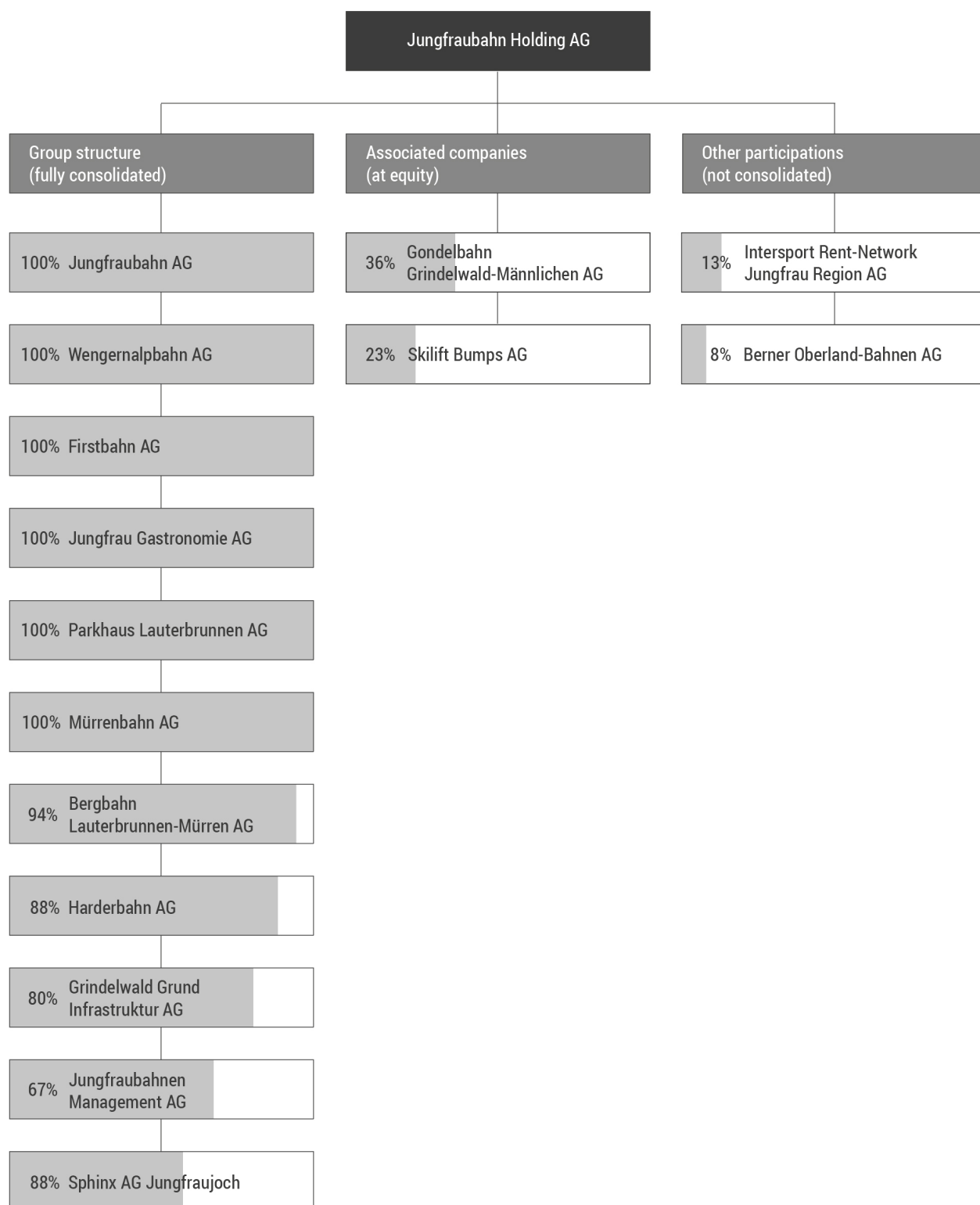
[1] Based on year-end prices, calculated from the total portfolio of 5,835,000 issued shares. [2] Calculated on the share of the shareholders of Jungfraubahn Holding AG. [3] Basis of updated appropriation of retained earnings.

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	%
Assets				
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	
Total current assets	71,999	36.4%	68,397	38.4%
Fixed assets				
Loans to group companies	101,720		85,580	
Participating interests	24,335		24,329	
Total fixed assets	126,055	63.6%	109,909	61.6%
Total Assets	198,054	100.0%	178,306	100.0%
Liabilities				
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	
Total current borrowed capital	40,751		23,623	
Total non-current borrowed capital	0		0	
Total borrowed capital	40,751	20.6%	23,623	13.2%
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	
Total equity	157,303	79.4%	154,683	86.8%
Total liabilities	198,054	100.0%	178,306	100.0%

INCOME STATEMENT

1 January to 31 December

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

PROFIT SHARING

Application concerning the use of balance sheet profits

	CHF	CHF
Annual profit 2018		16,655,745
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
Balance sheet profit available to the AGM		90,457,548
Executive Board proposal:		
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
Inventory on 1st January	(2018: 3,593 shares, 2017: 4,704 shares)	399	442
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
Inventory on 31st December	(2018: 3,018 shares, 2017: 3,593 shares)	440	399
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
Group companies			
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%
Associated companies			
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%
Deviating voting rights in holdings as a percentage			
Gondelbahn Grindelwald-Männlichen AG, Grindelwald		34.8%	34.8%
Other significant holdings			
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
Significant shareholders		
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
Sureties, guarantees and pledges in favour of third parties		
Joint and several liability for all value-added tax liabilities of the Jungfraubahn Group (including Berner Oberland-Bahnen AG)	p.m.	p.m.
Net release of silent reserves	2	306

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
Board of Directors			
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%
Total Board of Directors	29,630	31,303	0.5%
Company Management			
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%
Total management	60,553	57,703	1.0%

[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

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