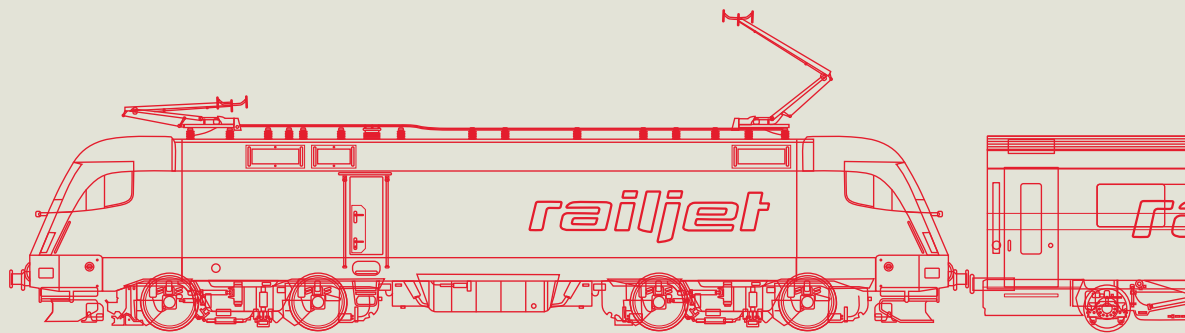
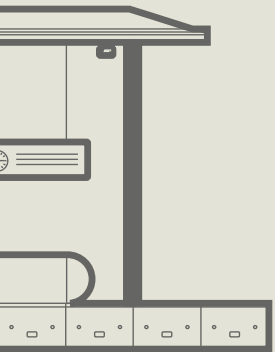




# Annual Report 2010

ÖBB-Corporate Governance

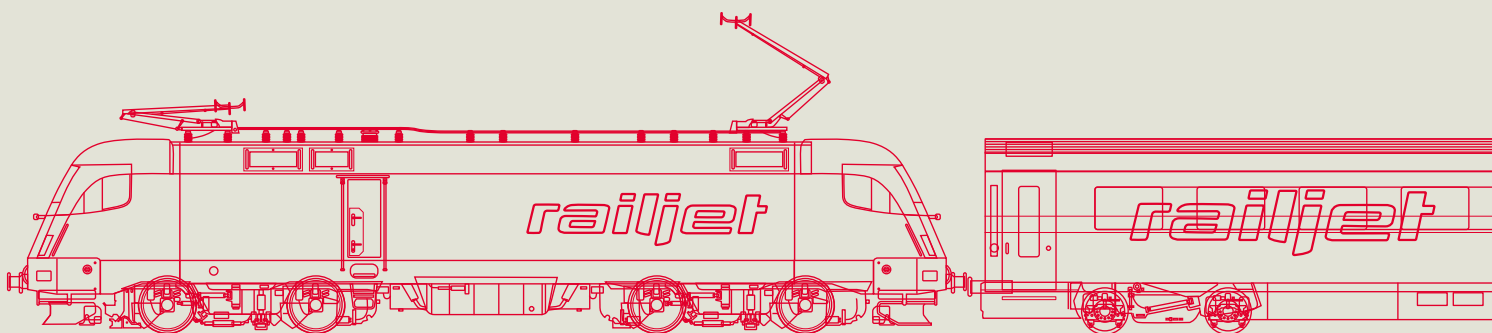


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## Statement of the Executive Board



ÖBB [Austrian Federal Railways] is a unique enterprise. No other enterprise in Austria is present throughout the entire country like ÖBB and reaches as many people as ÖBB. ÖBB is the Number One in the fields of transport and mobility. Many people know ÖBB only when travelling by train, but in fact, we are much more than that. We employ more than 43,000 people, we are the leading instructor for technical trainings in Austria, we are an important provider of logistics services, we operate numerous power plants, we are one of the major real estate managers in this country, we build infrastructure on behalf of the Republic, and we are one of the largest principals in the national economy. ÖBB is one of the largest groups of companies in Austria. The railways constitute a networking business, and ÖBB works as a system, as several parts working as one. The Group has to form a single entity. We can only be successful if all the parts of the companies combine and focus their forces.

### ÖBB ACHIEVED A NEGATIVE RESULT IN 2010

The negative result of the Group as a whole results mainly from the loss generated in the goods transport sector – but this fact shows us that it is not only Rail Cargo Austria, but in fact all parts of the enterprise which require reorganization and recapitalization. We have to increase profitability in every field and on every level. Then the turnaround project for RCA will lead to a turnaround for ÖBB in its entirety.

Since 2007, our corporate equity basis has decreased rapidly, and all the improvements of results serve only one decisive purpose: to preserve the substance of the company. This is a task that ÖBB can only solve as a single enterprise.

### REORGANIZATION BEGINS IN THE GOODS TRANSPORT SECTOR

The present situation is the result of a development that began in the past. The current management of ÖBB took up the staff under difficult circumstances – in addition to the aftereffects of the economic crisis, it also had to deal with inherited problems from previous years. Our goods transport segment suffered severely from the effects of the economic crisis, and during this year, structural deficits became obvious: the first priority had been increasing the transport volume, to the detriment of economic profitability.

Conclusion: In the future, we will have to focus our activities much more closely on economic and business requirements. Reorganization and recapitalization is the only option; the essential factor for us will be to reduce costs. We are already discussing new solutions at competitive prices with our customers, and we are quite successful: reputable goods transport customers in Austria and Hungary remain loyal to us.

### CUSTOMER ORIENTATION INCREASES COMPETITIVENESS

In 2011, we will for the first time face a competitor in the passenger transport sector. We will be putting our best effort in winning this competition. Travel by rail will be in the public eye, and our offers and services will therefore be even more closely observed and put to the test. We start from an advantageous position: we operate thousands of trains every day, in all of Austria, not only on one track. However, we do not take this challenge lightly at all. The competition will strengthen us. The decisive factor is increased customer orientation. On the other hand, competitiveness in the market is not decided by the train alone: the better offer for the customer is based on three pillars: modern stations, fast tracks and attractive trains – by means of investment in the rolling stock, such as the progressive remodeling of the bistro in the railjet trains into dining cars.

### ÖBB AS ENTERPRISE – PERFORMANCE COUNTS

We are a business enterprise, and we have to think and act accordingly – especially because we are working with the taxpayer's money. Change within ÖBB focuses on the following criteria: cost efficiency and customer orientation within the organization and convincing performance with respect to products and services. A good performance vis-à-vis the customer also strengthens our position in the public discussions regarding our company. We want to unite the competence and the responsibility for decisions – our goal is to place the persons with the highest qualifications and skills in the ideal positions for them. To achieve this goal, ÖBB requires more efficient, leaner and stronger structures within the Group. A process was started in the middle of the year 2010, aiming at streamlining and rationalizing the given structures and significantly reducing overheads. Some successes have already been achieved, for example with respect to the reduction of the number of management personnel and administrative positions.

There is still a lot to be done in order to increase the efficiency of our structural organization, but we have already made noticeable progress, for example in restructuring production: following the decision to combine all significant production processes with respect to a train ride within ÖBB-Produktion GmbH, which was taken in December 2010, the detailed planning has now reached the final stage. What follows now is the realization. We expect to generate at least 80 million Euros in synergy effects.

The market power of one of the largest buyers in Austria can be exercised through centralized purchasing. At a volume of more than 2 billion Euros, we expect that a common purchasing strategy with clearly defined standards and an efficient procurement procedure will have a significant effect. The increase in efficiency of the IT area is also expected to open up high potential. This potential is supposed to be ensured by optimizing IT and telecommunication organization and processes, consolidating the application and data environment, expanding technical competences and reducing costs.

The project of the intra-group labor market is of great significance for the intended raising of the age of retirement as well as the improvement of flexibility and transparency within the company. We want to transform it into a veritable job market, a platform for new perspectives for employees of the Group.

The current wage agreement takes the difficult situation of the company into account. We differentiated in an appropriate way by granting low-income earners an inflation adjustment and involving the management in the recapitalization by means of a wage freeze.

The reorganization of the financial business was again pushed in 2010; due to the termination of finance and cross border leasing transactions, risk exposure was reduced and the flexibility of the company was further increased. Portfolio and risk management was improved, as was the internal audit system, in order to better protect the company from speculative transactions and risky financial products.

## THE RAILWAY SYSTEM IS SUCCESSFUL

We have achieved a number of improvements for the customer, for example with respect to punctuality: in 2010, 94.2% of all trains were on time, which constitutes an improvement by 3.7% compared to the previous year. Punctuality in long-distance transport increased as well, namely by 7.9% to 75.7%, the handover punctuality of shipments from abroad and the respective construction site situation being particularly important factors that influence punctuality in this sector. Therefore, we have to strive for continuous improvement, particularly in long-distance transport.

The huge amounts of snow during the winter, which caused mayhem in car and air transport, did not significantly affect ÖBB. With thorough planning and the appropriate technical equipment, we were able to face and master this challenge.

The railways show their particular strengths as a large-scale means of transport during major sports events: major skiing races such as those in Kitzbühel or the night slalom in Schladming would be unthinkable without the involvement of ÖBB, and during the world skiing championship in Garmisch-Partenkirchen as well as the finals of the Four Hills Tournament, ÖBB scored with its reliability and the required capacities.

We work to improve step by step – regarding the organizational structure of our company as well as the fulfillment of our performance commitment to our customers.

## INVESTMENT IN THE FUTURE

A modern infrastructure is the prerequisite for high-quality transport services. On behalf of the Republic of Austria, we create long-lasting assets for the owner. The principal, i.e. the Republic of Austria, decides on the investments through its representatives in the federal government. The company ÖBB is the executing entity for all these projects, implementing the political decisions and orders by the federal government. However, we can only implement the decisions made by the government if we procure the required financial means at the capital market.

In 2010, this was done again by successfully placing bonds and taking up long-term loans. In addition, the favorable market environment was used to hedge interests with respect to existing financing measures at an attractive level and on a long-term basis. The financial obligations we assume serve to implement transport-related objectives of the Republic of Austria. The liabilities recognized in our statement of financial position are matched with assets that strengthen mobility and economy. They constitute investments in the development of assets for Austria.

The current development program is intended to develop new strengths on the major transport axes and prepare Austria for the future demographic development. Only 20 years from now, 60 percent of all Austrians will be living and working in just five to seven conurbations. We focus on developing the *Westbahn* [Western Railway] and the *Südbahn* [Southern Railway]. However, the railway is not a standalone offer – the railway transport has to be developed in combination with other means of transport, such as the ASFINAG network.

The focal point of the investment program is to connect Austria, and Greater Vienna in particular, much more closely to the surrounding metropolises and industrial centers, such as Prague or Bratislava, Budapest, Munich or Venice.

The population and, therefore, the passenger potential of the *Südbahn* is similar to that of the *Westbahn*, but at the moment, it carries less than quarter of the passengers. Therefore, if it is possible in the future to travel by train from Vienna to Klagenfurt, for example, in less time than by car, the train should and will be the first choice for the traveler. This is why the combination of the Semmering and the Koralm tunnels is advantageous for our company as well as the region.

### STATION PROMOTION THROUGHOUT AUSTRIA

By creating modern train stations, we also contribute significantly to the urban development. The stations constitute a short-distance supplier for residents and visitors alike. During the past years, numerous stations throughout Austria have been revitalized (Linz, Graz, Innsbruck, Klagenfurt, Wels, Leoben, Krems, Baden, Wiener Neustadt, Feldkirch, Vienna Praterstern), and this year, the new St. Pölten Main Station was opened. The rebuilt station hall of BahnhofCity Vienna West with an extended offer of shops was opened in December 2010, and a sales area of 17,000m<sup>2</sup> for about 95 business establishments, catering services and service providers is being developed on the new floor. All around the new Vienna Main Station for trains passing through Vienna, which will be finished in 2013, property development is promoted as well; residential and office buildings will be constructed, as well as an industrial estate.

### A YEAR OF CHALLENGE

ÖBB is a fascinating enterprise with a great outlook. Its employees constitute its most important resource and its greatest potential at the same time. We count on them on our way towards establishing a company that Austria can be proud of. We thank our employees for their efforts and their commitment. We would also like to thank the employee representatives and the members of the Supervisory Board. The next steps towards recapitalization of RCA, continued progress towards the turnaround point for the entire ÖBB, the start of the competition in passenger transport – 2011 will be a year of challenge. Our objective is to successfully master these challenges.

Mag. Christian Kern m.p.  
Chairman of the Executive Board

Mag. Josef Halbmayr MBA m.p.  
Member of the Executive Board

Ing. Franz Seiser m.p.  
Member of the Executive Board

# Corporate Governance

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In order to strengthen the trust of all interested parties and increase transparency with respect to reporting, the ÖBB Group is complying with the regulations of the Austrian Corporate Governance Code since October 2006.

## Corporate Governance Report

The ÖBB Group wants to strengthen the trust of its customers and employees as well as of the public by means of a policy of transparent, quick and detailed information. Since it is a company that operates at the capital markets and is of high public interest, the organization and communication of the corporate governance of the ÖBB Group complies with international standards and best practices, but first and foremost with the Austrian Corporate Governance Code.

The Executive Board of ÖBB-Holding AG pursues a corporate strategy in the best interest of the company, taking the interests of the owner, the Republic of Austria, and the employees into consideration. It reports to the Supervisory Board on a regular basis, presenting the business development and submitting certain business transactions of ÖBB-Holding AG or the Group companies for approval, in accordance with the Articles of Association and the law. The strategic orientation of the ÖBB Group is determined in close coordination with the Supervisory Board.

### COMMITMENT TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The Austrian Corporate Governance Code is primarily intended for listed stock corporations. Although neither the shares of the ÖBB Group nor of any of its three sub-groups are listed on any stock exchange, they follow the recommendation of the Austrian Corporate Governance working committee, according to which unlisted corporations should also follow the Code, insofar as the regulations are applicable to them. In September 2006, the Executive Board and the Supervisory Board of ÖBB-Holding AG agreed to adopt the Austrian Corporate Governance Code, and in February 2011 they agreed to implement the amendments of the Code from 2009 and 2010. This commitment, the Code as amended and applicable for the Group companies as well as justifications for any deviations are available at the website of the ÖBB Group <http://konzern.oebb.at/de/Konzern>.

### OVERVIEW OVER DEVIATIONS AND JUSTIFICATIONS

The Code comprises three categories of regulations: the Legal Requirements ("L" regulations) are based on mandatory Austrian legal regulations and must therefore be fulfilled in any case. However, for non-listed stock corporations, the "L" regulations are interpreted as "C" regulations. Deviations from the so-called "comply or explain" regulations ("C" regulations) have to be justified publicly. Deviations from the "recommendations" ("R" regulations) require neither disclosure nor justification.

The following deviations of the ÖBB Group, which were updated in February 2011, and the respective justifications were published simultaneously with the commitment to compliance with the Austrian Corporate Governance Code:

#### Deviations due to the owner structure and non-listing

Due to the specific direct and indirect owner structure of the ÖBB Group and its sub-groups respectively, with the Republic of Austria being the sole shareholder, and due to the fact that it is not listed at any stock exchange, the following regulations are not applicable or not fulfilled: "L" regulations: 1., 3., 8., 19., 20., 29. (1<sup>st</sup> sentence), 63., 65. (partly), 71 "C" regulations: 21., 28., 54., 68., 72., 73., 74.

#### Sole shareholder and disclosures (shareholder protection)

Since the Republic of Austria is the sole shareholder of ÖBB-Holding AG, invitations to the annual general meeting, announcements of the agenda and of motions, documents for the shareholders and voting results of the annual general meeting are not published on the website of the company. Due to this owner structure, the shareholder protection requirements do not exceed the legal provisions in this respect. Therefore, the following regulations are not applied: "L" regulations: 4., 5., 6.

#### Chairperson of the Executive Board

A chairperson of the Executive Board is appointed only at ÖBB-Holding AG. Regulation 16 is therefore only fulfilled in part.

## Nomination committee

In connection with the legal provisions applicable for the ÖBB Group (public tendering according to the *Stellenbesetzungsgesetz* [Austrian Appointment Act]), it is more appropriate for the ÖBB Group to maintain the present regulation of responsibilities, according to which the Steering Committee of the Supervisory Board (chairperson and his or her deputies) is responsible for any and all relations between the company and the members of the Executive Board. "C" regulation 41 is therefore not applied.

## Remuneration committee

Since the Steering Committee of the Supervisory Board is also responsible for the issue of remuneration of the Executive Board, an amendment of the existing regulation of responsibilities in the Supervisory Board is not considered to be necessary. "C" regulation 43 is therefore not applied.

## Remuneration of Executive Board and Supervisory Board members

The members of the Executive Board and the Supervisory Board decide upon the disclosure and publication of the profit-sharing principles regarding the Executive Board and the individual remuneration of each member of the Supervisory Board in their own discretion; therefore, the Corporate Governance Report contains only general information about the remuneration of the management and an overall disclosure of the remuneration for the Supervisory Board. The following "C" regulations are not applied: 30. (partly), 31., 51. (partly).

## PUBLICATIONS

The following information and documents are available for inspection at the website <http://konzern.oebb.at/de/Konzern>:

- Assessment of the compliance with the regulations of the Corporate Governance Code by Confida Wirtschaftstreuhandgesellschaft m.b.H. as well as the law firm Lansky, Ganzger & Partner Rechtsanwälte GmbH
- Articles of Association as well as extracts from the Rules of Procedure of the Supervisory Boards of
  - o ÖBB-Holding AG
  - o ÖBB-Personenverkehr AG
  - o Rail Cargo Austria AG
  - o ÖBB-Infrastruktur AG
- members of the audit committees

## INDEPENDENCE

The criteria defined in the Austrian Corporate Governance Code (Annex 1) are used for determining the independence of the Supervisory Board members.

## SHAREHOLDER STRUCTURE

The Republic of Austria is the sole shareholder of ÖBB-Holding AG, which in turn holds all the shares in ÖBB-Infrastruktur AG, ÖBB-Personenverkehr AG and Rail Cargo Austria AG. These three sub-groups are integrated in the implementation of the Austrian Corporate Governance Code.

## REMUNERATION OF THE MANAGEMENT

The total remuneration of the members of the Executive Board is composed of a fixed and a variable component. The amount of the variable annual component is subject to the achievement of objectives agreed with the Executive Committee of the Supervisory Board at the beginning of each financial year.

The employment contracts with top executives (members of the Executive Boards of the parent companies and general managers of companies on comparable levels) include a performance-related component; thus, the success of the company is reflected by the remuneration to a considerable extent. In general, 2/3<sup>rd</sup> of the remuneration of top executives consist in a fixed base salary, and 1/3<sup>rd</sup> is a variable performance-related component. At the beginning of each financial year, an individual score card is developed for each company for the purpose of agreeing upon clearly defined, mainly quantitative objectives. These objectives are aligned with the Group's overall results, its strategy and the focus of its activities.

The members of the Executive Board of ÖBB-Holding AG participate in an external pension fund scheme based on a defined contribution plan, except for members of the Executive Board who are seconded for the time of their activity in the Board within a definite ÖBB employment relation in accordance with the general term and conditions for employment with *Österreichische Bundesbahnen* (AVB). The company itself assumes no pension commitments. In the event of withdrawal from office or termination of employment, the relevant provisions of the *Stellenbesetzungsgesetz* apply to the vested rights of future pension payments and claims of the members of the Executive Board. There are no further claims.

## RISK MANAGEMENT

Based on the general principles already elaborated in the course of an extensive Group project in 2007, the entire risk management system of the ÖBB Group is continuously developed. The risk portfolio is evaluated on a regular basis. The ÖBB Group defines risks as events or developments that might cause a negative deviation of results from the assumptions made during planning – irrespective of whether such risks are associated to opportunities or whether their occurrence can be actively influenced.

The risk management of the ÖBB Group accompanies all relevant business processes and financial items of the important Group companies. It is based on comprehensive risk identification, risk assessment, risk aggregation, risk control and risk reporting. The risk management manual that is binding for the entire Group defines rules, margins and minimum requirements of risk management for all company units involved. The first objective of the risk policy of the ÖBB Group is unrestricted safeguarding of the business activity (“going concern”). According to this, risks may only be taken if they are calculable and associated to an increase in the revenues and the company value.

All three ÖBB sub-groups and ÖBB-Shared Service Center GmbH enter their risks in the risk management software introduced in 2009 on a regular basis after an internal evaluation process. Following assessment and consolidation of the individual risks in the corporate risk platform, a report to the Executive Board of ÖBB-Holding AG is established which describes the most important risks and respective counter-measures. Based on this, the Supervisory Board and the audit committee of ÖBB-Holding AG and of the Group companies are provided with detailed information regarding the current risk situation of the ÖBB Group. Detailed information on the risk management and an overview over the risk fields are given in the Management Report.

In accordance with the regulations of the Austrian Corporate Governance Code, the functionality of the risk management system has to be assessed by external auditors in the course of the annual audit of the financial statements. For the ÖBB Group, this audit was carried out as of December 31, 2010. The recommendations for further development of the risk management system of the ÖBB Group elaborated by the auditors will be implemented during the year 2011.

## CORPORATE AUDITING

The core task of corporate auditing is to assist the Executive Board and the Supervisory Board of ÖBB-Holding AG in the execution of their respective functions and responsibilities. In addition to this, corporate auditing also assumes the function of internal auditing of the individual Group companies. Therefore, the main tasks of corporate auditing include auditing and assessing risk management processes and systems, internal audits and any issues in connection with Corporate Governance. ÖBB corporate auditing reports to the Executive Board of ÖBB-Holding AG, who is also responsible for communicating with the Supervisory Board in this respect. The head of corporate auditing informs the respective principal (Executive Board of the Holding or Executive Board or management of the Group company respectively) about the status of the audit at regular intervals. In addition, a written report is prepared for all audits commissioned, which is approved by the respective principal including possible recommendations given by corporate auditing, if any. All the Group companies in which ÖBB-Holding AG directly or indirectly holds an interest of 50% or more as well as their respective organizational entities, business units and projects are subject to audits by corporate auditing. Corporate auditing prepares a risk-oriented audit schedule in line with strategic aspects, which takes issues suggested by important Group companies into account. An audit manual provides detailed specifications with respect to the execution, the function and the procedures of corporate auditing.

## THE AUDITORS

The two auditing firms assigned and the Supervisory Boards of the Group companies cooperate on an ongoing basis. The audits of the annual financial statements were carried out according to “C” regulation 77 in accordance with internationally acknowledged audit standards (International Standards of Auditing/ISA) (e.g. ISA 240 “Fraud and Error”, ISA 320 “Materiality”, ISA 400 “Risk Assessment and Internal Control” and ISA 700 “Auditor’s Report”). The expenses for the audits of the annual financial statements amounted to EUR1.1 million in 2010. In 2009, expenses amounting to approx. EUR2.5 million were incurred for this purpose.

## **ASSESSMENT OF THE COMPLIANCE WITH THE REGULATIONS OF THE CORPORATE GOVERNANCE CODE**

Confida Wirtschaftstreuhand GmbH and the law firm Lansky, Ganzger & Partner Rechtsanwälte GmbH assessed the implementation and correctness of our public disclosures in compliance with the Corporate Governance Code in accordance with the regulations of the "International Federation of Accounts" for the execution of audit and revision assignments and prepared corresponding reports, which are available for inspection at <http://konzern.oebb.at/de/Konzern>. The assessment of the auditors regarding our compliance with the regulations of the Code and the correctness of our public reporting resulted in the conclusion that our public disclosures on the compliance with the Code with the notes given in the reports are correct.

## Members of the Executive Board



### MAG. CHRISTIAN KERN

- Born in 1966, Chairman of the Executive Board of ÖBB-Holding AG (CEO) since June 07, 2010, appointed until June 06, 2015

### Area of responsibility and functions in the ÖBB Group:

- Chairman of the Executive Board of ÖBB-Holding AG, responsible for corporate strategy and company development, strategic corporate personnel management, corporate communications and marketing, corporate auditing, corporate law and the Executive Board Secretariat
- Chairman of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- Chairman of the Supervisory Board of Rail Cargo Austria AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- First Deputy of the Chairman of the Supervisory Board of ÖBB-Infrastruktur AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- Chairman of the Supervisory Board of ÖBB-Immobilienmanagement GmbH, first elected as member of the Supervisory Board on December 31, 2010, and appointed until the annual general meeting in 2015, Chairman of the Supervisory Board since January 26, 2011
- Deputy of the Chairman of the Supervisory Board of ÖBB-Shared Service Center GmbH, first elected as member of the Supervisory Board on July 29, 2010, and appointed until the annual general meeting in 2015, Deputy of the Chairman of the Supervisory Board since September 14, 2010

### External functions:

- member of the Executive Board of the *Industriellenvereinigung* [Federation of Austrian Industry]
- member of the Supervisory Board of FK Austria AG



## ING. FRANZ SEISER

- Born in 1958, member of the Executive Board of ÖBB-Holding AG (COO) since April 01, 2010, appointed until March 31, 2015

### Area of responsibility and functions in the ÖBB Group:

- member of the Executive Board of ÖBB-Holding AG, responsible for corporate production, technology and safety, strategic corporate purchasing, strategic corporate IT management, *ÖBB-Infrastruktur AG*
- Chairman of the Supervisory Board of ÖBB-Infrastruktur AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- First Deputy of the Chairman of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- First Deputy of the Chairman of the Supervisory Board of Rail Cargo Austria AG, first elected as member of the Supervisory Board on April 06, 2010, and appointed until the annual general meeting in 2015, First Deputy of the Chairman of the Supervisory Board since June 07, 2010
- Chairman of the Supervisory Board of ÖBB-IKT GmbH, first elected as member of the Supervisory Board on September 30, 2010, and appointed until the annual general meeting in 2015, Chairman of the Supervisory Board since October 08, 2010
- Chairman of the Supervisory Board of ÖBB-Produktion GmbH, first elected on December 17, 2010, and appointed until the annual general meeting in 2015
- member of the Supervisory Board of ÖBB-Shared Service Center GmbH, first elected on July 29, 2010, and appointed until the annual general meeting in 2015

### External functions:

- member of the Executive Board of *Österreichische Verkehrswissenschaftliche Gesellschaft* [Austrian Transport Economics Association]
- member of the Steering Committee of ATTC Austrian Traffic Telematic Cluster



### MAG. JOSEF HALBMAYER MBA

- Born in 1955, member of the Executive Board of ÖBB-Holding AG (CFO) since November 01, 2008, appointed until October 31, 2012

### Area of responsibility and functions in the ÖBB Group:

- member of the Executive Board of ÖBB-Holding AG, responsible for corporate accounting, financial statements and taxes, corporate controlling, corporate finance, *ÖBB-Shared Service Center GmbH*
- Chairman of the Supervisory Board of ÖBB-Shared Service Center GmbH, first elected as member of the Supervisory Board on July 29, 2010, and appointed until the annual general meeting in 2015, Chairman of the Supervisory Board since September 14, 2010
- member of the Supervisory Board of Rail Cargo Austria AG, first elected on February 25, 2009, and appointed from June 07, 2010, until the annual general meeting in 2015
- member of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- member of the Supervisory Board of ÖBB-Infrastruktur AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- Chairman of the Supervisory Board of ÖBB-Dienstleistungs GmbH until September 06, 2010
- member of the Executive Board of ÖBB-Personenverkehr AG from December 01, 2007, until February 28, 2010

### External functions:

- Chairman of the Supervisory Board of Rundfunk und Telekom Regulierungs GmbH
- member of the Executive Board of *Versicherungsanstalt für Eisenbahnen und Bergbau* [insurance institution for railway and mining]
- member of the Supervisory Board of Österreichische Verkehrskreditbank AG

**DI PETER KLUGAR**

- member of the Executive Board of ÖBB-Holding AG from December 01, 2007, until July 31, 2010
- spokesman of the Executive Board from May 26, 2008, until June 07, 2010

**Area of responsibility and functions in the ÖBB Group:**

- member of the Executive Board of ÖBB-Holding AG until July 31, 2010, responsible for strategy/company development, corporate communications, corporate auditing, strategic personnel management, Compliance Officer/Legal issues, *ÖBB-Infrastruktur AG* until June 07, 2010
- First Deputy of the Chairman of the Supervisory Board of ÖBB-Infrastruktur AG (formerly ÖBB-Infrastruktur Bau AG and ÖBB-Infrastruktur Betrieb AG), first elected as member of the Supervisory Board of ÖBB-Infrastruktur AG on April 14, 2008, and appointed until June 07, 2010, First Deputy of the Chairman of the Supervisory Board from June 26, 2008, until June 07, 2010
- member of the Supervisory Board of ÖBB-Immobilienmanagement GmbH until July 06, 2010, first elected on March 11, 2009

**KR GUSTAV POSCHALKO**

- member of the Executive Board of ÖBB-Holding AG from December 01, 2007, until March 31, 2010

**Area of responsibility and functions in the ÖBB Group:**

- member of the Executive Board of ÖBB-Holding AG until March 31, 2010, responsible for strategic purchasing, *ÖBB-Personenverkehr AG, Rail Cargo Austria AG*
- member of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on April 14, 2008, and appointed until June 07, 2010
- member of the Supervisory Board of Rail Cargo Austria AG, first elected on April 14, 2008, and appointed until June 07, 2010
- Chairman of the Supervisory Board of ÖBB-Postbus GmbH, first elected as member of the Supervisory Board on March 25, 2008, and appointed until June 30, 2010, Chairman of the Supervisory Board since April 10, 2008
- member of the Supervisory Board of Österreichische Postbus AG, first elected on April 12, 2010, and appointed until June 30, 2010
- Chairman of the Supervisory Board of ÖBB-Produktion GmbH, first elected as member of the Supervisory Board of ÖBB-Traktion GmbH on October 25, 2004, and appointed until June 30, 2010, Chairman of the Supervisory Board from April 14, 2008, until April 22, 2010
- member of the Supervisory Board of ÖBB-Technische Services-GmbH, first elected on October 25, 2004, and appointed until August 02, 2010

## The Supervisory Board

The *Aktiengesetz* [Stock Corporation Act], the Articles of Association of ÖBB-Holding AG, the Rules of Procedure of the Supervisory Board as well as the Corporate Governance Code of ÖBB-Holding AG constitute the basis for the activities of the Supervisory Board. Those members of the Supervisory Board that fulfill the criteria of independence in accordance with the Austrian Corporate Governance Code (Annex 1) are considered “independent” in the sense of general clause of regulation 53.

### **MEMBERS AND COMMITTEES OF THE SUPERVISORY BOARD OF ÖBB-HOLDING AG AND THEIR ADDITIONAL FUNCTIONS IN THE ÖBB GROUP**

The Supervisory Board of ÖBB Holding AG has nine members as of December 31, 2010 – six members were elected as shareholder representatives by the annual general meeting and three members were delegated as employee representatives by the works council. The Supervisory Board fulfills its tasks on principle in plenary sessions. The only committee established is the statutory audit committee which deals with all issues regarding the annual financial statements, their audit and aspects of corporate accounting in preparation for the entire Supervisory Board. The Steering Committee of the Supervisory Board is responsible for regulating the relations between the company and the members of the Executive Board. The following list presents the members of the Supervisory Board of ÖBB-Holding AG, their term of office and other seats in Supervisory Boards or functions respectively in the sense of regulation 58:

#### **DI Horst Pöchhacker**

Born in 1938, Chairman, independent

First elected on May 29, 2007, and appointed until the annual general meeting in 2015

Additional functions in the ÖBB Group:

- Second Deputy of the Chairman of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on May 29, 2007, and appointed until the annual general meeting in 2015
- Second Deputy of the Chairman of the Supervisory Board of Rail Cargo Austria AG, first elected on May 29, 2007, and appointed until the annual general meeting in 2015

Supervisory Board functions outside the ÖBB Group:

- UBM Realitätenentwicklung Aktiengesellschaft, Wiener Städtische Wechselseitige Versicherungsanstalt Vermögensverwaltung

#### **DI Herbert Kasser**

Born in 1964, First Deputy of the Chairman, independent

First elected on April 27, 2007, and appointed until the annual general meeting in 2015

Additional functions in the ÖBB Group:

- Second Deputy of the Chairman of the Supervisory Board of ÖBB-Infrastruktur AG, first elected on March 16, 2005, and appointed until the annual general meeting in 2015

#### **Wilhelm Haberzettl**

(Employee representative), born in 1956, Second Deputy of the Chairman, independent

First delegated on March 31, 2004

Wilhelm Haberzettl has already been delegated to the Supervisory Board of *Österreichische Bundesbahnen* from November 01, 1996.

Additional functions in the ÖBB Group:

- member of the Supervisory Board of ÖBB-Infrastruktur AG, first delegated on March 16, 2005

### **KR Kurt Eder**

Born in 1946, independent

First elected on August 13, 2008, and appointed until the annual general meeting in 2015

Additional functions in the ÖBB Group:

- member of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on April 14, 2008, and appointed until the annual general meeting in 2015
- member of the Supervisory Board of Rail Cargo Austria AG, first elected on April 14, 2008, and appointed until the annual general meeting in 2015

### **Mag. Maria Kubitschek**

Born in 1962, independent

First elected on April 27, 2007, and appointed until the annual general meeting in 2015

Additional functions in the ÖBB Group:

- member of the Supervisory Board of ÖBB-Infrastruktur AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015

### **Dr. Leopold Specht**

Born in 1956, independent

First elected on April 27, 2007, and appointed until the annual general meeting in 2015

### **Lic.rer.pol. Paul Blumenthal**

Born in 1955, independent

First elected on January 18, 2010, and appointed until the annual general meeting in 2015

Additional functions in the ÖBB Group:

- member of the Supervisory Board of ÖBB-Personenverkehr AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015
- member of the Supervisory Board of Rail Cargo Austria AG, first elected on June 07, 2010, and appointed until the annual general meeting in 2015

Supervisory Board functions outside the ÖBB Group:

- Berner Oberland-Bahnen AG

### **Gottfried Winkler**

(Employee representative), born in 1956, independent

First delegated on March 31, 2004

Gottfried Winkler has already been delegated to the Supervisory Board of *Österreichische Bundesbahnen* from November 11, 1999.

Additional Supervisory Board functions in the ÖBB Group:

- member of the Supervisory Board of ÖBB-Infrastruktur AG, first delegated on June 07, 2004

### **Mag. Andreas Martinsich**

(Employee representative), born in 1964, independent

First delegated on April 25, 2006

## **FORMER MEMBERS OF THE SUPERVISORY BOARD**

### **Franz Rauch**

Born in 1940, Second Deputy of the Chairman, independent, until May 26, 2010

First elected on March 31, 2004

### **Mag. Christian Teufel**

Born in 1952, independent, until May 26, 2010

First elected on August 13, 2008

### **Helmut Radlingmayr**

(Employee representative), born in 1957, independent, until June 02, 2010

First delegated on January 28, 2010

Further information on the Supervisory Boards of individual ÖBB Group companies is available at <http://konzern.oebb.at/de/Konzern>.

## Information on the Supervisory Board of ÖBB-Holding AG

### **MEMBERS OF THE STEERING COMMITTEE**

- DI Horst Pöchhacker, Chairman
- DI Herbert Kasser
- Wilhelm Haberzettl (employee representative)

### **MEMBERS OF THE AUDIT COMMITTEE**

- DI Herbert Kasser, Chairman since June 07, 2010
- Mag. Maria Kubitschek, Deputy since June 07, 2010
- DI Horst Pöchhacker
- Wilhelm Haberzettl
- Mag. Andreas Martinsich

### **SESSION STATISTICS FOR THE SUPERVISORY BOARD OF ÖBB-HOLDING AG IN THE FINANCIAL YEAR 2010**

- Five regular meetings
- Three extraordinary meetings
- Five meetings of the audit committee
- Five meetings of the Steering Committee

### **STATE COMMISSIONERS**

#### **MR Dr. Gerhard Gürtlich**

- State commissioner of ÖBB-Holding AG
- Deputy state commissioner of ÖBB-Infrastruktur AG

#### **DI Georg Parrer**

- Deputy state commissioner of ÖBB-Holding AG
- State commissioner of ÖBB-Infrastruktur AG

## Additional Supervisory Board functions in domestic companies of the ÖBB Group

The following list indicates Supervisory Board positions of companies not included in the previous lists. Furthermore, advisory boards have been established in certain companies, but they are not indicated here.

### ÖBB-PERSONENVERKEHR AG

**Dr. Gabriele Ambros**, born in 1957, independent

First elected on November 16, 2009, and appointed until the annual general meeting in 2015

**Ernst Friedl**, born in 1956, (employee representative), independent

First delegated on May 17, 2004

**Thomas Lintner**, born in 1966, (employee representative), independent

First delegated on October 13, 2009

**Hans Jürgen Jarius**, born in 1962, (employee representative), independent

First delegated on April 24, 2008

**Helmut Radlingmayr**, born in 1957, (employee representative), independent

First delegated on May 17, 2004

### Former members of the Supervisory Board

**Univ.-Prof. DI Dr. Friedrich Zibuschka**, born in 1950, independent, until June 07, 2010

First elected on May 29, 2007

**Franz Rauch**, born in 1940, independent, until June 07, 2010

First elected on April 14, 2008

**Dr. Johannes Seiringer**, born in 1961, independent, until June 07, 2010

First elected on April 14, 2008

**Mag. Maria Kubitschek**, born in 1962, independent, until June 07, 2010

First elected on May 29, 2007

### RAIL CARGO AUSTRIA AG

**Dr. Gabriele Ambros**, born in 1957, independent

First elected on June 07, 2010, and appointed until the annual general meeting in 2015

**Mag. Bernhard Moser**, born in 1966 (employee representative), independent

First delegated on April 15, 2008

**Werner Harrer**, born in 1954, (employee representative), independent

First delegated on May 17, 2004

**Norbert Rothbart**, born in 1962, (employee representative), independent  
First delegated on September 23, 2004

**Roman Hebenstreit**, born in 1971, (employee representative), independent  
First delegated on October 05, 2010

### Former members of the Supervisory Board

**Franz Rauch**, born in 1940, independent, until June 07, 2010  
First elected on September 23, 2004

**Dr. Karl Sevelda**, born in 1950, independent, until June 07, 2010  
First elected on May 29, 2007

**Mag. Herbert Kaufmann**, born in 1949, independent, until June 07, 2010  
First elected on May 29, 2007

**Dr. Siegfried Meysel**, born in 1938, independent, until March 31, 2010  
First elected on May 29, 2007

**Bernhard Mühlbacher**, born in 1959, (employee representative), independent, until October 05, 2010  
First delegated on July 04, 2005

### ÖBB-INFRASTRUKTUR AG

**Lic. iur. Philippe Gauderon**, born in 1955, independent  
First elected on July 01, 2010, and appointed until the annual general meeting in 2015  
(participation in less than 50% of the Supervisory Board meetings)

**Dr. Tanja Wielgoss**, born in 1972, independent  
First elected on June 07, 2010, and appointed until the annual general meeting in 2015

**Peter Dyduch**, born in 1963, (employee representative), independent  
First delegated on July 01, 2010

**Franz Eder**, born in 1959, (employee representative), independent  
First delegated on April 15, 2008

### Former members of the Supervisory Board

**Dr. Eduard Saxinger**, born in 1947, independent, until May 31, 2010  
First elected on May 29, 2007

**DI Dr. Hermann Egger**, born in 1949, independent, until June 07, 2010  
First elected on March 16, 2005

**Mag. Ilse Hohenegger**, born in 1967, independent, until June 07, 2010  
First elected on December 04, 2008

**Dkfm. Dr. Dieter Nefischer**, born in 1949, independent, until June 07, 2010  
First elected on April 14, 2008

## ÖBB-IKT GMBH

**DI Herwig Wiltberger**, born in 1953, independent, Deputy of the Chairman since October 08, 2010  
First elected on September 30, 2010, and appointed until the shareholder decision in 2015

**Andreas Fuchs**, born in 1965, independent  
First elected on September 30, 2010, and appointed until the shareholder decision in 2015

**Mag. Georg Lauber**, born in 1976, independent  
First elected on December 31, 2010, and appointed until the shareholder decision in 2015

**Mag. (FH) Andreas Matthä**, born in 1962, independent  
First elected on December 31, 2010, and appointed until the shareholder decision in 2015

**Josef Fiedler**, born in 1964, (employee representative), independent  
First delegated on September 22, 2010

**Bernhard Motejlek**, born in 1965, (employee representative), independent  
First delegated on September 22, 2010

**Mario Raso**, born in 1977, (employee representative), independent  
First delegated on January 31, 2011

## ÖBB-SHARED SERVICE CENTER GMBH

**Mag. Peter Pirkner MBA**, born in 1968, independent  
First elected on March 25, 2011, and appointed until the shareholder decision in 2015

**Erich Rubenzer**, born in 1964, (employee representative), independent  
First delegated on August 09, 2010

**Franz Schultes**, born in 1956, (employee representative), independent  
First delegated on August 09, 2010

## Former members of the Supervisory Board

**Mag. Emmerich Bachmayer**, born in 1948, independent, until February 28, 2011  
First elected on July 29, 2010

## ÖBB-PRODUKTION GMBH

**Andreas Fuchs**, born in 1965, independent, Deputy of the Chairman since December 17, 2010  
First elected on April 26, 2010, and appointed until the shareholder decision in 2015

**Mag. Georg Lauber**, born in 1976, independent  
First elected on December 17, 2010, and appointed until the shareholder decision in 2015

**DI Herwig Wiltberger**, born in 1953, independent  
First elected on December 17, 2010, and appointed until the shareholder decision in 2015

**Roman Hebenstreit**, born in 1971, (employee representative), independent  
First delegated on September 08, 2005

**Gerhard Tauchner**, born in 1964, (employee representative), independent  
First delegated on September 08, 2005

### Former members of the Supervisory Board

**KR Friedrich Macher**, born in 1952, independent, until November 25, 2010  
First elected on April 08, 2010

**Ferdinand Schmidt**, born in 1951, independent, until January 25, 2010  
First elected on October 25, 2004

**Dr. Günther Riessland**, born in 1952, independent, until November 25, 2010  
First elected on April 08, 2010

**Dr. Werner Kovarik**, born in 1960, independent, until December 16, 2010  
First elected on January 15, 2009

**Mag. Gabriele Lutter**, born in 1962, independent, until April 26, 2010  
First elected on April 08, 2010

**Mag. Josef Halbmayr MBA**, born in 1955, independent, until June 30, 2010  
First elected on May 07, 2008

**Josef Schinagl**, born in 1962, (employee representative), independent, until June 30, 2010  
First delegated on April 08, 2010

### ÖBB-TECHNISCHE SERVICES-GMBH

**Andreas Fuchs**, born in 1965, independent, Chairman since January 31, 2011  
First elected on August 02, 2010, and appointed until the shareholder decision in 2015

**Mag. Georg Lauber**, born in 1976, independent, Deputy of the Chairman since January 31, 2011  
First elected on December 21, 2010, and appointed until the shareholder decision in 2015

**Siegfried Stumpf**, born in 1957, independent  
First elected on December 21, 2010, and appointed until the shareholder decision in 2015

**DI Herwig Wiltberger**, born in 1953, independent  
First elected on August 02, 2010, and appointed until the shareholder decision in 2015

**Alois Fritzenwallner**, born in 1954, (employee representative), independent  
First delegated on April 27, 2006

**Joachim Werdenich**, born in 1964, (employee representative), independent  
First delegated on April 27, 2006

## Former members of the Supervisory Board

**Ferdinand Schmidt**, born in 1951, independent, Chairman until September 16, 2010  
First elected on October 25, 2004

**Dr. Werner Kovarik**, born in 1960, independent, Chairman from September 16, 2010, until December 16, 2010  
First elected on January 13, 2009

**Mag. Josef Halbmayr MBA**, born in 1955, independent, Deputy of the Chairman until August 02, 2010  
First elected on February 23, 2009

**KR Friedrich Macher**, born in 1952, independent, Deputy of the Chairman until November 29, 2010  
First elected on August 02, 2010

## ÖBB-IMMOBILIENMANAGEMENT GMBH

**Mag. (FH) Andreas Matthä**, born in 1962, independent, Deputy of the Chairman  
First elected on August 21, 2007, and appointed until the shareholder decision in 2015

**DI Herwig Wiltberger**, born in 1953, independent  
First elected on July 06, 2010, and appointed until the shareholder decision in 2015

**Mag. Erich Pirkl**, born in 1966, independent  
First elected on July 06, 2010, and appointed until the shareholder decision in 2015

**Erich Rammerstorfer**, born in 1966, (employee representative), independent  
First delegated on September 22, 2010

**Christian Sigl**, born in 1971, (employee representative), independent  
First delegated on November 17, 2004

## Former members of the Supervisory Board

**Mag. Gilbert Trattner**, born in 1949, independent, until July 06, 2010  
First elected on May 02, 2007

**DI Dr. Georg-Michael Vavrovsky**, born in 1950, independent, until July 06, 2010  
First elected on May 02, 2007

**Dr. Werner Kovarik**, born in 1960, independent, until December 16, 2010  
First elected on July 06, 2010

**Andreas Köck**, born in 1954, (employee representative), independent, until September 22, 2010  
First delegated on October 25, 2004

## ÖBB-POSTBUS GMBH

**Andreas Fuchs**, born in 1965, independent, Chairman since August 12, 2010  
First elected on March 26, 2010, and appointed until the shareholder decision in 2015

**Mag. Gabriele Lutter**, born in 1962, independent, Deputy of the Chairman since November 27, 2008  
First elected on March 25, 2008, and appointed until the shareholder decision in 2015

**Mag. Klaus Garstenauer**, born in 1969, independent  
First elected on July 12, 2010, and appointed until the shareholder decision in 2015

**Ing. Johann Pürstinger**, born in 1959, (employee representative), independent  
First delegated on February 10, 2010

**Robert Wurm**, born in 1957, (employee representative), independent  
First delegated on October 01, 2004

### Former members of the Supervisory Board

**Mag. Josef Halbmayr MBA**, born in 1955, independent, until July 12, 2010  
First elected on March 25, 2008

**Dr. Werner Kovarik**, born in 1960, independent, until February 28, 2011  
First elected on July 12, 2010

**Franz Poimer**, born in 1949, independent, employee representative until February 10, 2010  
First delegated on October 01, 2004

## ÖSTERREICHISCHE POSTBUS AG

**Mag. Gabriele Lutter**, born in 1962, independent, Chairwoman since September 21, 2010  
First elected on November 06, 2008, and appointed until the annual general meeting in 2011

**Mag. Klaus Garstenauer**, born in 1969, independent  
First elected on August 24, 2010, and appointed until the annual general meeting in 2011

**DI Claus Stadler**, born in 1970, independent  
First elected on August 24, 2010, and appointed until the annual general meeting in 2011

**Ing. Johann Pürstinger**, born in 1959, (employee representative), independent  
First delegated on February 10, 2010

**Robert Wurm**, born in 1957, (employee representative), independent  
First delegated on September 15, 2003

### Former members of the Supervisory Board

**Mag. Josef Halbmayr MBA**, born in 1955, independent, Chairman until June 30, 2010  
First elected on March 26, 2008

**Dr. Werner Kovarik**, born in 1960, independent, Deputy of the Chairman until February 28, 2011  
First elected on August 24, 2010

**Mag. Günter Hek**, born in 1966, independent, until June 30, 2010  
First elected on April 20, 2005

**Andreas Fuchs**, born in 1965, independent, until April 21, 2010  
First elected on April 12, 2010

**Josef Nigitsch**, born in 1959, independent, employee representative until September 20, 2010  
First delegated on April 21, 2010

**Franz Poimer**, born in 1949, independent, employee representative until February 10, 2010  
First delegated on September 15, 2010

### **MUNGOS SICHER & SAUBER GMBH**

**DI Herwig Wiltberger**, born in 1953, independent, Chairman since February 28, 2011  
First elected on September 28, 2010, and appointed until the shareholder decision in 2015

**Birgit Wagner**, born in 1972, independent, Deputy of the Chairman since January 27, 2010  
First elected on November 09, 2009, and appointed until the shareholder decision in 2015

**Norbert Pausch**, born in 1958, independent  
First elected on February 25, 2011, and appointed until the shareholder decision in 2015

**Günter Wenzina**, born in 1961, independent  
First elected on November 09, 2009, and appointed until the shareholder decision in 2015

**Elisabeth Steiner**, born in 1952, (employee representative), independent  
First delegated on December 14, 2009

**Jutta Schor**, born in 1964, (employee representative), independent  
First delegated on December 14, 2009

### **Former members of the Supervisory Board**

**Mag. Arnold Schiefer**, born in 1966, independent, Chairman until December 31, 2010  
First elected on November 09, 2009

**Ing. Alois Kitzler**, born in 1960, independent, until September 28, 2010  
First elected on November 09, 2009

More information on the bodies of the ÖBB companies is available at <http://konzern.oebb.at/de/Konzern>.

## Remuneration of members of the Supervisory Board of the ÖBB Group

The actual expenses incurred by the members of the Supervisory Boards of the ÖBB Group companies in the course of performing their duty are reimbursed against the provision of bills, and a compensation is paid to the shareholders on the Supervisory Board. Employee representatives do not receive any remuneration.

The basic remuneration for a Supervisory Board member amounts to EUR9,000 per year. In addition to that, the Supervisory Board member receives an attendance fee of EUR200 for each meeting of a Supervisory Board, an Executive Committee or any other committee. The chairperson of a Supervisory Board receives 200% of the basic remuneration and a deputy chairperson in ÖBB-Holding AG receives 150% of the basic remuneration. For any activity in another Supervisory Board of the ÖBB Group, the member receives an additional 50% of the amounts stipulated above. If several functions are accumulated in one person, the upper limit of EUR27,000 (plus attendance fees) may not be exceeded. Members of the Supervisory Board who are members of an Executive Board, managers or employees of the ÖBB Group do not receive any supervisory board remuneration.

Compensation of the shareholders on the Supervisory Board for their activities in ÖBB-Holding AG amounted to approx. EUR145,000 (PY: approx. EUR177,000). Compensation of the other Supervisory Board members of the Group companies amounted to approx. EUR62,000 (PY: approx. EUR126,000).

## REPORT ON CONTRACTS CONCLUDED IN ACCORDANCE WITH REGULATION 49 OF THE CORPORATE GOVERNANCE CODE

In the financial year 2010, contracts regarding the supply of goods and the provision of services were concluded with members of the Supervisory Boards or with companies related to them, respectively.

Supervisory Board member (company)	Subject-matter or type of the transactions respectively	Turnover without value-added tax (in KEUR)
<b>Dr. Karl Sevelda, Mag.</b>		
(Raiffeisen Zentralbank AG, Raiffeisen Centrobank AG, Raiffeisen Capital Management GmbH)	Liabilities without cross border leasing as of December 31, 2010, <i>thereof concluded before September 23, 2004</i>	401,162.5 17,678.2
	<i>Average liabilities without cross border leasing in 2010</i>	368,487.8
	Liabilities from cross border leasing as of December 31, 2010 <i>thereof concluded before September 23, 2004</i>	10,558.6 10,558.6
	<i>Average CBL liabilities in 2010</i>	10,732.7
	Capital market investments + deposits as of December 31, 2010 <i>thereof concluded before September 23, 2004</i>	17,447.1 524.1
	<i>Average capital market investments in 2010</i>	16,777.2
	Other financial transactions (e.g. derivatives), as of December 31, 2010 <i>thereof concluded before September 23, 2004</i>	248,838.0 22,352.9
	<i>Average level of other financial transactions in 2010</i>	213,246.2

**DI Dr. Hermann Egger**

(Kelag – Kärntner Elektrizitäts AG, Kelag Netz GmbH, Kelag Wärme GmbH)	Goods supplied and services provided to the ÖBB Group, in particular supply of power and district heating as well as power trading	5,177.5
	Goods supplied and services provided by the ÖBB Group, in particular power trading	13,481.8

**Mag. Herbert Kaufmann**

(Flughafen Wien AG)	Goods supplied and services provided to the ÖBB Group, in particular provision of infrastructure (rent, lease and operating costs of storage facilities; power, telephone, rent of advertising space and fees for banners, transport costs)	465.2*)
	Goods supplied and services provided by the ÖBB Group, in particular rent and lease, laying of cables, bus services	703.4*)

\*) incl. VAT

**Dr. Gabriele Ambros**

(Bohmann Druck und Verlag Ges.m.b.H. & Co KG)	Services provided to the ÖBB Group, in particular regarding press and public relations	54.3
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**Dr. Leopold Specht**

(Specht Rechtsanwalt GmbH)	Services provided to the ÖBB Group, in particular legal advice	35.3
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**Gauderon Philippe Lic.iur.**

(Railtour Suisse AG, Schweizerische Bundesbahnen SBB)	Goods supplied and services provided to the ÖBB Group	3,937.7
	Goods supplied and services provided by the ÖBB Group	4,189.6

**Lic. rer. pol. Paul Blumenthal**

(Blumenthal - Consulting GmbH)	Goods supplied and services provided to the ÖBB Group	140.3
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## Statement of the Chairman of the Supervisory Board of ÖBB-Holding AG

2010 saw the peak of the positive changes within ÖBB so far. Based on the new ÖBB law of 2009, the corporate structure was streamlined further, and separate organizational processes aiming for improvements with respect to competitiveness and customer orientation were combined. The professional new Executive Board of the Holding has set new standards in this respect, in line with international benchmarks. It assumed the management of the Group in a very difficult market situation after the crash of the financial markets, and with a clear commitment to cost efficiency, it tackled the reorganization and recapitalization of RCA, the creation of a new production company and the new orientation of the corporate labor market, with the goal of increasing customer satisfaction as well as the motivation of the employees. We need a new "spirit" in order to gain new vitality, strengthen optimism and increase openness for change in the company.

### **GREAT ACHIEVEMENTS UNDER THE MOST DIFFICULT CIRCUMSTANCES**

In 2010, ÖBB showed what it is capable of – even in extreme situations. Regarding the switch from the old Southern Station to the Meidling Station, many foresaw chaos, but the opposite happened: this major challenge was mastered flawlessly. During the time of the volcanic ash cloud, the railways constituted a safe alternative to the airplane, and during the winter with its large amounts of snow, ÖBB scored as well compared to other means of transport.

Compared to the year 2009, the economic situation has calmed down. The aftereffects of the financial and economic crisis have been overcome, but only at first glance. The future will show whether the recovery really is sustainable. Therefore, it is even more important now to establish ÖBB as a stable element of the economy and the region. We have to invest in the infrastructure now.

### **INVESTMENTS ON BEHALF OF THE REPUBLIC**

The scale of the investment program that ÖBB is implementing on behalf of the Republic of Austria is unprecedented. Finally, the railway network – which for a great part was installed during the time of the monarchy – is shaped up for the future. The development program boosts the economy, secures jobs and strengthens the position of ÖBB as a leader in Austria. Generations to come will benefit from the values we establish now. The Republic of Austria is the principal and accordingly, the investor, represented by the federal government. ÖBB is the contractor. The master plans that the federal government agrees unanimously constitute the basis for our activities. Of course, the company incurs great financial liabilities in the course of these activities, but it also creates sustainable and valuable assets for the owner, the Republic, and its citizens. The public investments in the infrastructure constitute the basis for subsequent private investments. Additional activities develop, which secure new jobs and result in additional taxes and other public charges paid to all three levels of the state: the federal government, the federal states and the communities.

### **WELL PREPARED FOR THE COMPETITION**

ÖBB will meet the challenges of the competition arising in passenger transport head-on. The company is well prepared, with a strong commitment to customer orientation and an attractive offer of rolling stock. The railjet, which is our premium offer, represents a new quality of travel. And most importantly: we have highly motivated employees with excellent qualifications.

The situation is the opposite of simple and presents many challenges. However, we want to look to the future with new momentum and strengthen the company; we want the Group to synergize its strengths and thus achieve the greatest possible vigor. I give thanks to all our employees, to the employee representatives and to the new management for the performance achieved and the great cooperation. Together, we will master the challenges of the coming years.

### **APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS**

During the financial year 2010, the Supervisory Board of ÖBB-Holding AG held five regular and three extraordinary Supervisory Board meetings as well as five meetings of the Steering Committee. The audit committee held five meetings as well. The Supervisory Board was informed by the Executive Board at regular intervals in addition to the Supervisory Board meetings with respect to the business development and any important issues regarding the company and the Group. In the end, the Executive Board of ÖBB-Holding AG submitted the Annual Financial Statements of 2010 (separate financial statements) including the Auditor's Report and the Management Report as well as the Consolidated Financial Statements of 2010 including the Auditor's Report and the Consolidated Management Report of ÖBB-Holding AG to the Supervisory Board.

The Annual Financial Statements including the Annex, the Management Report as well as the Consolidated Financial Statements including the Notes on the Consolidated Financial Statements and the Consolidated Management Report were audited by the auditors of Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The audits based on the books and records of the company as well as on the statements given and evidence produced by the Executive Board resulted in the conclusion that the accounting and the Annual Financial Statements as well as the Consolidated Financial Statements are in accordance with legal regulations and there is no cause for any objection. The Management Report and the Consolidated Management Report are in accordance with the Annual Financial Statements and the Consolidated Financial Statements respectively. After a thorough audit by the audit committee, the Supervisory Board audited, approved and thereby established the Annual Financial Statements pursuant to § 96 *Aktiengesetz*, and acknowledged and approved the Management Report, the Consolidated Financial Statements and the Consolidated Management Report of the financial year 2010.

DI Horst Pöchhacker m.p.  
Chairman of the Supervisory Board of ÖBB-Holding AG

## ÖBB-Holding AG

### **Enquiries regarding the annual report**

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### **Call Center 05-1717**

You will obtain information on trains and busses at any time from our Call Center.  
Phone: 05-1717 (0.00 a.m.-12.00p.m.) for calls from Austria without area code and at local rates, or  
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### **Masthead**

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### **Graphic arrangement and design**

ÖBB-CI&M Werbeagentur  
on behalf of ÖBB-Holding AG

### **Pictures**

ÖBB / Stögmüller

### **Disclaimer**

The statements contained in this report were compiled to the best of our knowledge and verified with due diligence. Typographical errors and misprints excepted. This annual report is available only in electronic form at:  
<http://konzern.oebb.at/de/Presse/Publikationen>