Annual Report 2015

EUROFIMA

European Company for the Financing of Railroad Rolling Stock

Contents

Key figures

Financial data: amounts in million CHF
Railway equipment: in units

	2015	2014	2013	2012
Balance sheet				
Total	22 801	26 089	27 577	31 300
Assets				
Liquid assets [1]	3 916	4 305	4 093	4 198
Equipment financing contracts	15 508	18 275	20 932	22 532
Derivative financial instruments	3 361	3 493	2 533	4 552
Liabilities				
Outstanding borrowings [2]	20 164	23 300	24 634	28 305
Derivative financial instruments	1 023	1 186	1 380	1 437
Equity				
Equity + Callable share capital	3 677	3 664	3 625	3 613
Net profit and appropriation to reserves				
Net profit for the financial year	29	33	34	34
Appropriation to statutory reserves	28	30	30	37
Ratios in %				
Total operating expense/ Total operating income	16.1	20.4	23.6	22.5
Net profit / Average equity	1.8	2.1	2.3	2.3
(Equity + Callable share capital) / Outstanding borrowings	18.2	15.7	14.7	12.8
(Sound share capital [3] + Shareholder guarantee AAA/AA) / Outstanding borrowings	21.4	21.4	20.1	17.5
(Sound share capital [4] + Shareholder guarantee Aaa/Aa) / Outstanding borrowings	21.2	21.2	19.9	17.3
Borrowings and repayments during the financial year				
Borrowings	5 210	3 700	3 438	3 263
Repayments	7 205	6 240	4 682	5 403
Repayment rate in %	138.3	168.7	136.2	165.2
Railway equipment financed during the financial year				
Locomotives	43	15	46	0
Multiple-unit trains				
- Motor units	264	199	12	62
- Trailer cars	133	268	12	108
Passenger cars	277	16	149	23
Freight cars	7	0	3	0

(1) Cash and cash equivalents and financial investments
(2) Amounts due to credit institutions and customers and debts evidenced by certificates
(3) Equity and callable share capital AAA/AA
(4) Equity and callable share capital Aaa/Aa

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Report of the Board of Directors to the General Assembly

EUROFIMA is a supranational organization. Its shareholders, which are also its customers, are the railways of its member States. EUROFIMA fulfills a task of public interest. It is located in Basel, Switzerland.

CONSTITUTION AND MISSION

EUROFIMA was established on November 20, 1956, based on an international treaty (the "Convention") between sovereign States. It is governed by the Convention signed by its member States, its articles of association ("Statutes") and in a subsidiary manner by the law of the country in which it is located. It was originally founded for a period of 50 years. The decision taken by the extraordinary General Assembly of February 1, 1984, to extend this period for an additional 50 years, until 2056, was approved by all member States. EUROFIMA's shareholders are railways of the European member States which are parties to the Convention.

EUROFIMA's mission is to support the development of rail transportation in Europe and to support the railways which are its shareholders, as well as other railway bodies, in renewing and modernizing their equipment.

ACTIVITY

EUROFIMA finances railway equipment through borrowings or equity capital. EUROFIMA secures title to or obtains security interests deemed equivalent (in particular pledges) on or in respect of equipment. The general principles of EUROFIMA's activity are defined in an agreement (the "Basic Agreement") between the railways and EUROFIMA. The Basic Agreement remains valid for the entire duration of EUROFIMA's existence and can only be altered with the consent of all the railways and EUROFIMA. EUROFIMA's equity is primarily used for investments in liquid assets and, to a limited extent, for equipment financing contracts.

EQUIPMENT

EUROFIMA either holds title to the equipment until the financing has been completely reimbursed or it holds a direct or indirect security interest deemed equivalent, particularly pledges. The equipment is recorded in the company's register with its number and type. Each railway is responsible for maintaining the equipment. In case of damage or loss, the equipment must be replaced without delay and at the railway's expense. If a railway does not fulfill its obligations, EUROFIMA has the right to repossess the equipment to cover its exposure. The railway continues to assume responsibility for all contracts into which it has entered with the company. EUROFIMA has never experienced a loss due to the failure of a railway to assume its contractual obligations.

GUARANTEE RESERVE AND SUBSIDIARY SHAREHOLDER GUARANTEE

In the event of a default by a railway, the guarantee reserve, as outlined in Article 29 of the Statutes, may be called upon. According to this article, the yearly allocation to the guarantee reserve corresponds to the balance of the annual profit, after allocation to the ordinary reserve of 5% of the net profit and the eventual payment of a dividend, statutorily limited to a maximum of 4% of the paid-in share capital. After appropriation of the 2015 surplus, the guarantee reserve reached CHF 696.5 million.

In addition, pursuant to Article 26 of the Statutes, each shareholder guarantees the fulfillment of all equipment financing contracts in proportion to its participation in EUROFIMA's share capital and up to a maximum amount equal to its participation in EUROFIMA's subscribed share capital. This subsidiary shareholder guarantee can only be called when (i) a railway and its guaranteeing member State have not discharged obligations under equipment financing contracts and (ii) the guarantee reserve, as outlined by Article 29 of the Statutes, is not sufficient to cover the loss resulting from such non-payment.

SHAREHOLDERS' DISTRIBUTION

Shareholder		Number of shares		in % of share capital	Subscribed share capital (in CHF) 2015	Subscribed share capital (in CHF) 2014	Callable share capital [1] (in CHF) 2015	Callable share capital [1] (in CHF) 2014
Deutsche Bahn AG	DB AG	58 760		22.60%	**587 600 000**	587 600 000	**470 080 000**	470 080 000
SNCF Mobilités	SNCF	58 760		22.60%	**587 600 000**	587 600 000	**470 080 000**	470 080 000
Ferrovie dello Stato Italiane S.p.A.	FS	35 100		13.50%	**351 000 000**	351 000 000	**280 800 000**	280 800 000
SNCB	SNCB	25 480		9.80%	**254 800 000**	254 800 000	**203 840 000**	203 840 000
NV Nederlandse Spoorwegen	NS	15 080		5.80%	**150 800 000**	150 800 000	**120 640 000**	120 640 000
RENFE Operadora	RENFE	13 572		5.22%	**135 720 000**	135 720 000	**108 576 000**	108 576 000
Swiss Federal Railways	SBB	13 000		5.00%	**130 000 000**	130 000 000	**104 000 000**	104 000 000
Akcionarsko društvo Železnice Srbije	ŽS	5 824	[2]	2.24%	**58 240 000**	58 240 000	**46 592 000**	46 592 000
Näringsdepartementet, Sweden		5 200		2.00%	**52 000 000**	52 000 000	**41 600 000**	41 600 000
Luxembourg National Railways	CFL	5 200		2.00%	**52 000 000**	52 000 000	**41 600 000**	41 600 000
ÖBB-Holding AG	ÖBB	5 200		2.00%	**52 000 000**	52 000 000	**41 600 000**	41 600 000
CP-Comboios de Portugal, E.P.E.	CP	5 200		2.00%	**52 000 000**	52 000 000	**41 600 000**	41 600 000
Hellenic Railways	OSE	5 200		2.00%	**52 000 000**	52 000 000	**41 600 000**	41 600 000
České dráhy, a.s.	ČD	2 600		1.00%	**26 000 000**	26 000 000	**20 800 000**	20 800 000
Hungarian State Railways Ltd.	MÁV	1 820		0.70%	**18 200 000**	18 200 000	**14 560 000**	14 560 000
Železničná spoločnosť Slovensko, a.s.	ŽSSK	1 300		0.50%	**13 000 000**	13 000 000	**10 400 000**	10 400 000
HŽ Putnički prijevoz d.o.o.	HŽ	520		0.20%	**5 200 000**	5 200 000	**4 160 000**	4 160 000
Slovenske železnice d.o.o.	SŽ	520		0.20%	**5 200 000**	5 200 000	**4 160 000**	4 160 000
Bosnia and Herzegovina Railways	ŽFBH	520		0.20%	**5 200 000**	5 200 000	**4 160 000**	4 160 000
Holding Balgarski Darzhavni Zheleznitsi EAD	BDZ	520		0.20%	**5 200 000**	5 200 000	**4 160 000**	4 160 000
Javno pretprijatie Makedonski Železnici-Infrastruktura	MŽI	208		0.08%	**2 080 000**	2 080 000	**1 664 000**	1 664 000
Željeznički Prevoz Crne Gore AD	ŽPCG	156		0.06%	**1 560 000**	1 560 000	**1 248 000**	1 248 000
Turkish State Railways	TCDD	104		0.04%	**1 040 000**	1 040 000	**832 000**	832 000
Danish State Railways	DSB	52		0.02%	**520 000**	520 000	**416 000**	416 000
Norwegian State Railways	NSB	52		0.02%	**520 000**	520 000	**416 000**	416 000
Makedonski Železnici - Transport AD	MŽT	52		0.02%	**520 000**	520 000	**416 000**	416 000
Total		**260 000**		**100.00%**	**2 600 000 000**	**2 600 000 000**	**2 080 000 000**	**2 080 000 000**

[1] As per Article 21 of the Statutes the callable share capital may be called in unconditionally at any time by decision of the Board of Directors
[2] 2 830 shares of which EUROFIMA holds in trust

STATE GUARANTEE

The railway shareholders' obligations towards EUROFIMA benefit from a double guarantee. Firstly, each member State is either directly liable for or guarantees the obligations of its railway under the equipment financing contracts. Secondly, each member State is either directly liable for or guarantees the obligations of its railway in such railway's capacity as a shareholder of EUROFIMA. In addition, pursuant to Article 9 of the Convention, the member States take the necessary measures to ensure the transfer of funds arising from the company's activity. As at December 31, 2015, the equity and the sum of the uncalled capital, and the shareholder guarantee, both taking into account only shareholders from member States rated AAA/Aaa or AA/Aa, corresponded to 24.8% and 24.6% respectively of outstanding borrowings based on Standard & Poor's and Moody's ratings.

Ratings of the member States at December 31, 2015 and 2014

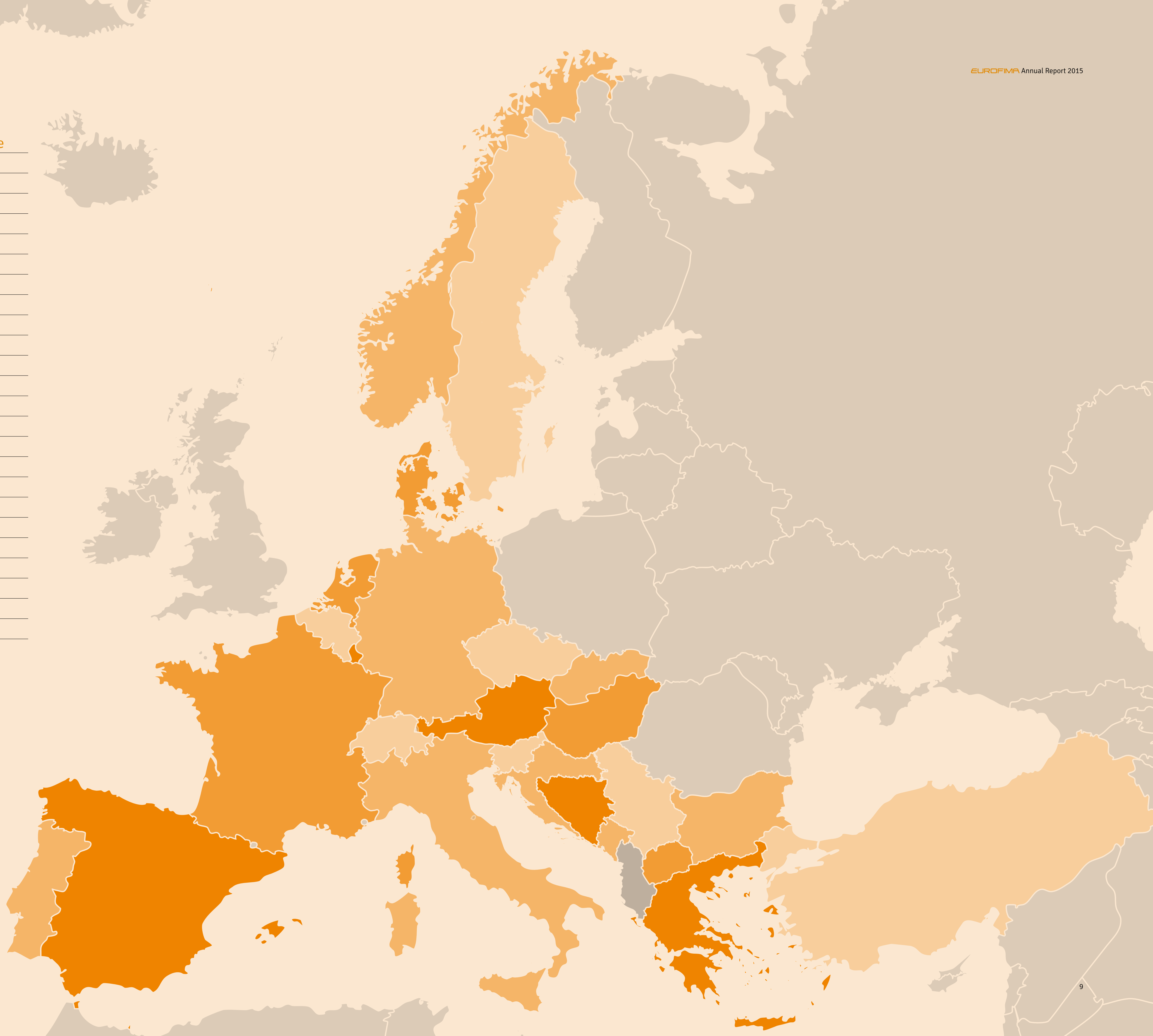
	2015 Standard & Poor's Corp.	2015 Moody's Investors Service Inc.	2014 Standard & Poor's Corp.	2014 Moody's Investors Service Inc.
Germany	**AAA**	**Aaa**	AAA	Aaa
France	**AA**	**Aa2**	AA	Aa1
Italy	**BBB-**	**Baa2**	BBB-	Baa2
Belgium	**AA**	**Aa3**	AA	Aa3
Netherlands	**AAA**	**Aaa**	AA+	Aaa
Spain	**BBB+**	**Baa2**	BBB	Baa2
Switzerland	**AAA**	**Aaa**	AAA	Aaa
Serbia	**BB-**	**B1**	BB-	B1
Sweden	**AAA**	**Aaa**	AAA	Aaa
Luxembourg	**AAA**	**Aaa**	AAA	Aaa
Austria	**AA+**	**Aaa**	AA+	Aaa
Portugal	**BB+**	**Ba1**	BB	Ba1
Greece	**CCC+**	**Caa3**	B	Caa1
Czech Republic	**AA-**	**A1**	AA-	A1
Hungary	**BB+**	**Ba1**	BB	Ba1
Slovakia	**A+**	**A2**	A	A2
Croatia	**BB**	**Ba1**	BB	Ba1
Slovenia	**A-**	**Baa3**	A-	Ba1
Bosnia and Herzegovina	**B**	**B3**	B	B3
Bulgaria	**BB+**	**Baa2**	BB+	Baa2
FYR Macedonia	**BB-**	**-**	BB-	-
Montenegro	**B+**	**Ba3**	B+	Ba3
Turkey	**BB+**	**Baa3**	BB+	Baa3
Denmark	**AAA**	**Aaa**	AAA	Aaa
Norway	**AAA**	**Aaa**	AAA	Aaa

Ratings of EUROFIMA at December 31, 2015

	Standard & Poor's Corp.	Moody's Investors Service Inc.
Long-term	AA+	Aa1
Short-term	A-1+	P-1
Outlook	stable	stable

Country	Member since
Austria	1955
Belgium	1955
Denmark	1955
France	1955
Germany	1955
Italy	1955
Luxembourg	1955
Netherlands	1955
Norway	1955
Portugal	1955
Serbia	1955
Spain	1955
Sweden	1955
Switzerland	1955
Greece	1957
Turkey	1957
Hungary	1991
Croatia	1993
Slovenia	1993
Bosnia and Herzegovina	1996
FYR Macedonia	1996
Bulgaria	1998
Slovakia	2000
Czech Republic	2002
Montenegro	2006

EUROFIMA's annual report
covers the period
from January 1 to December 31.
It is also available at
www.eurofima.org



30.6%
Basel III ratio
(2014: 23.0%)

7.0%
Leverage ratio
Equity/Total assets
(2014: 6.1%)

CHF **1.3** BILLION
Capital market borrowings
in 2015

0
Loan losses
in EUROFIMA's history

724
Units of rolling stock
financed in 2015

Message from the Chairman

EUROFIMA

Message from the Chairman

The year 2015 and the eventful start of 2016 showed once again how bumpy is the road to economic and financial normalization in a globalized and interconnected world. Regional differences in economic, political and social conditions weaken any effort for concerted and coordinated initiatives in this direction. While central bankers continued to maintain a broadly accommodative monetary environment, 2015 witnessed bold currency interventions in China and other emerging markets as well as in Switzerland, renewed liquidity injections with asset purchase programs in the Euro area and Japan and negative rate policies throughout most of Europe. The only exception was the United States, where the strong improvements in economic fundamentals allowed the Federal Reserve to cautiously pursue its tightening policy and raise its reference rate in December.

The underlying driver of this volatility is the moderate and fragile global economic growth, with the structural adjustments of the emerging markets, China in particular, that raises concerns worldwide and are only partially compensated by the improvements in the so-called developed economies. As for the latter, indeed the US economy marked another positive performance in 2015, with even stronger employment and consumer spending data. Also, Europe beat expectations and closed the year with the best economic performance since the outbreak of the sovereign debt crisis, thanks to the rebound in exports and the low commodity and oil prices.

The improved conditions in Europe have been beneficial also to our railway sector and our institution. In 2015 EUROFIMA maintained its strategic balance between the commitment to its public mission and prudent risk management. On one hand, new financial support was granted to four shareholder railways, of which the main beneficiaries were CFL, SBB and SNCB. On the other hand, the prudent lending policy allowed the portfolio of loans to non-investment-grade member states to decrease below the equity for the first time since 2009.

To finance its lending activities, EUROFIMA raised the equivalent of CHF 1.3 billion in the debt capital markets. This was achieved by borrowings in three currency markets. In the second quarter of 2015, EUROFIMA marked its return to the fixed-rate benchmark market in USD with a new 1 billion bond. Shortly after, the AUD market was tapped with a new 10-year bond in the Kangaroo format. This bond was then increased repeatedly in the second half of the year. Finally, specific funds for a tailor-made railway project were raised in the EUR market in the private placement format.

Liquidity management remained very prudent, to the benefit of the very high quality and liquidity of EUROFIMA's portfolio of securities. Also, new liquidity risk metrics were introduced in the course of the year, in line with best practices in the supranational sector. Leverage and capitalization ratios improved, with the estimated Basel 3 ratio reaching 30.6% at the end of the year. Profitability suffered from the persisting low interest rate environment and the strengthening of the CHF. Net profits for 2015 are CHF 28.7 million, a 13% decrease compared to 2014.

Ahead of us, 2016 is likely to prove another challenging year for the world economy. Nonetheless, we remain optimistic that Europe may experience a slightly faster growth compared to 2015, thanks to the continued support from three tailwinds: lower oil prices, fiscal policy loosening and an accommodative European Central Bank. This economic improvement will certainly be supported by and favorable to the railway sector, which remains a strategic asset and a catalyst of economic development on the continent. In this context, EUROFIMA remains a very cost effective financial provider for the national railways in its member states.

For the results achieved and the commitment demonstrated so far, the Board of Directors expresses its high recognition and appreciation to EUROFIMA's management and staff.

Alain Picard
Chairman of the Board

EUROFIMA Annual Report 2015

Corporate Governance

Governing bodies

As a public international body, EUROFIMA is governed first by its constitutive documents and only subsidiarily by Swiss law. Its constitutive documents are the Convention, the Statutes and the Basic Agreement. The organization's legal framework sets out the structure for EUROFIMA's governance. In addition to the constitutive documents, EUROFIMA's activities are governed by a set of policies, guidelines and rules of procedures adopted by the General Assembly, the Board of Directors or the Management. As a supranational organization, EUROFIMA is not subject to any national or international regulatory authority.

The member States have reserved extensive corporate governance rights over EUROFIMA. The following changes to EUROFIMA's organization require the consent of the member States: head office, objective, duration, conditions for admission of shareholders, quorums applicable to important shareholders' resolutions, equal voting rights of directors, all terms dealing with the shareholders' liability and the establishment of branches.

EUROFIMA has to report annually on its development and its financial position to its member States. Such reporting is done through the International Transport Forum, an intergovernmental organization within the OECD family.

EUROFIMA is managed and administered by the General Assembly, the Board of Directors and the Management.

GENERAL ASSEMBLY

The General Assembly convenes at least once annually. It approves the annual report of the Board of Directors, the audited financial statements, the appropriation of the annual surplus, the discharge of the acts of the Management and the Board of Directors, and it appoints the External Auditor. It also approves the maximum amount of borrowings and the organization regulations. Decisions are taken by the majority of votes of the shares represented. However, in order to amend the Statutes, to reduce or to increase the subscribed share capital, to transfer shares and subscription rights, to dissolve the organization, to appoint liquidators, and to extend the organization's duration, a supermajority representing at least seven-tenths of the subscribed share capital is required. The General Assembly decides upon any other questions which are submitted to it by the Board of Directors.

In 2015, the General Assembly convened on five occasions. The main subjects examined by the General Assembly on which it took decisions were: the annual report and the appropriation of 2014 surplus, the discharge of members of the Board of Directors and the Management for the financial year 2014, the maximum amounts of borrowings which may be concluded, the updated organization regulations and the partial renewal of the Board of Directors.

BOARD OF DIRECTORS

The Board of Directors is responsible for EUROFIMA's strategy and its financial success. It sets the overall direction and assumes supervision and control of the organization and its Management.

It meets at least once quarterly. Each director has one vote. A majority of directors present or represented constitute a quorum. Decisions are taken on the basis of the majority of the directors present or represented except for the conclusion of borrowings where a three-fourths majority is required. In urgent cases, decisions may be reached according to a written procedure.

With the exception of certain reserved powers, the Board of Directors is authorized to entrust all or part of the management of the institution to one or several of its members ("representatives") or third persons who need not necessarily be directors ("members of the Management"). As a result, the executive management is delegated to members of the Management. In this regard, the General Assembly has established organization regulations determining the rights and responsibilities of the Board of Directors and the Management.

The Board of Directors authorizes all equipment financing contracts and all borrowings within the limits laid down by the General Assembly. It is responsible for the financial statements as well as the existence and maintenance of the internal control system on financial reporting. The Board of Directors is the competent body to call-in the not paid-in share capital.

The Board members, including the Chairman and Vice-Chairmen, are appointed by the General Assembly, with one member for each shareholder holding at least 2% of the share capital. They are appointed for a period of three years and are eligible for re-election. As at January 1, 2016, the Board of Directors consisted of 13 members.

The Chairman calls the Board meetings with sufficient notice and draws up the agenda. Any other Board member has the right to call an additional meeting, if deemed necessary. Minutes are kept of the proceedings and decisions of the Board of Directors.

In order to ensure an efficient interaction with the Board of Directors, the meetings are also attended by the Management. The Chairman works with the Management in between the meetings.

The Board of Directors established two advisory bodies: the Chairman's Committee and the Audit and Risk Committee.

» *The Chairman's Committee* deals with a broad variety of topics in preparation for meetings of the Board of Directors. It further determines objectives, reviews appraisals and decides terms of engagement of the Management within the principles set by the Board of Directors. It consists of the Chairman, the Vice-Chairmen and two other Board members.

» *The Audit and Risk Committee* supports the Board of Directors in its comprehensive supervisory role with respect to financial control, risk control, audit and compliance management. In this respect, it oversees the activities of both Internal and External Audit. It consists of three Board members.

The Board of Directors met on 4 occasions in 2015. On average, Directors' attendance was 87%. The main subjects examined by the Board of Directors on which it took decisions were: the annual budget, the quarterly and annual financial statements, the general authorization to carry out borrowing transactions and associated treasury and derivative transactions, the annual report to the General Assembly, the main internal policies, the report to the Governments parties to EUROFIMA's Convention, the credit rating of the organization, the assessments of the financial position, risk and capital adequacy, and the conclusions of borrowings and equipment financing contracts.

The members of the Board of Directors and its advisory bodies are listed on page 21.

MANAGEMENT

Under the authority of the Chief Executive Officer and the supervision of the Board of Directors, the Management is responsible for managing the business, overseeing the day-to-day operations of the organization, and preparing decisions for the Board of Directors. The Management consists of the Chief Executive Officer and the Chief Financial Officer. The Management meets as and when required by the operations of the organization. In 2015, 18 meetings were held. The Chief Executive Officer chairs the meetings of the Management. The members of the Management are appointed by the Board of Directors.

The members of the Management are listed on page 21.

Controlling bodies

EXTERNAL AUDIT

The External Auditor is appointed annually by the General Assembly in accordance with Article 10 of the Statutes. The responsibility of the External Auditor is to audit the financial statements, to report the results of the audit to the General Assembly and to the Board of Directors, and to express an opinion concerning the financial statements. The External Auditor also verifies the existence of an internal control system designed for the preparation of the financial statements. The audit is carried out in accordance with Swiss Auditing Standards and International Standards on Auditing.

The amounts paid to the External Auditor are disclosed in note 7 to the financial statements.

INTERNAL AUDIT

The Internal Auditor reports to the Audit and Risk Committee of the Board of Directors. Based on its independent risk assessment, Internal Audit develops an internal audit plan which is reviewed and approved by the Audit and Risk Committee. Its audit scope includes, but is not limited to, EUROFIMA's risk management system, the internal control system, and the policies and procedures adopted by its governing bodies.

Further information on risk management is included in note 3 to the financial statements.

EUROFIMA Annual Report 2015

INTERNAL CONTROL

The objective of internal control is to ensure a proper functioning of business operations. EUROFIMA's internal control is focused on the financial reporting process and the management of risks. It covers the entire range of policies, procedures, systems and controls for managing and monitoring the organization's operations, risk exposure and financial reporting process.

EUROFIMA strives for a balanced mix of both preventive and detective controls taking place at the process levels and at the entity level. The main principle for organizing EUROFIMA's work flows and reducing the risk of error or inappropriate actions is segregation of duties.

The ultimate responsibility for the existence and maintenance of the internal control system is with the Board of Directors. The Management is responsible for its implementation and execution. On behalf of the Board of Directors, the Audit and Risk Committee assesses the quality of the internal control system's performance over time.

The External Auditor is responsible for verifying the existence and the implementation of the internal control system on financial reporting. The Internal Auditor verifies the internal control system with periodic internal reviews of the organization's activities and ensures that they comply with the policies and procedures adopted by the governing bodies. Further information on risk management is included in note 3 to the financial statements.

No advance or credit is granted to members of EUROFIMA's administrative, managerial, and supervisory bodies and no commitment is entered into on their behalf by way of guarantees of any kind by EUROFIMA.

Organizational chart

Members of governing and controlling bodies as at January 1, 2016

BOARD OF DIRECTORS

Chairman		
Alain Picard [1]	(1963, FR)	Chief Executive Officer of SNCF Logistics, Paris
Vice Chairmen		
Michel Allé [1] [2]	(1950, BE)	General Advisor CEO SNCB/NMBS, SNCB, Brussels
Luigi Lenci [1]	(1947, IT)	Head Office for Finance Supervision and Company Assets, Ferrovie dello Stato Italiane S.p.A., Rome
Harry Müller [1] [2]	(1959, DE)	Head Corporate Treasury of Swiss Federal Railways, Bern
Wolfgang Reuter [1]	(1950, DE)	Senior Advisor, DB Mobility Logistics AG, Deutsche Bahn AG, Berlin
Members		
Alfred Buder	(1969, AT)	Head of Group Finance, ÖBB-Holding AG, Vienna
Lars Erik Fredriksson	(1964, SE)	Investment Director, State Ownership, Ministry of Enterprise and Innovation, Stockholm
Manuel Fresno [1]	(1970, ES)	Chief Financial Officer, RENFE Operadora, Madrid
Ana Maria dos Santos Malhó	(1972, PT)	Financial Department Manager, CP-Comboios de Portugal, E.P.E., Lisbon
Engelhardt Robbe [1] [2]	(1955, NL)	Member of the Board, Chief Financial Officer, NV Nederlandse Spoorwegen, Utrecht
Miroslav Stojčić	(1967, RS)	General Director, Akcionarsko društvo Železnice Srbije, Belgrade
Panagiotis Theofanopoulos	(1955, GR)	Chairman of the Board of Directors and Managing Director, Hellenic Railways, Athens
Marc Wengler	(1967, LU)	General Director, Luxembourg National Railways, Luxembourg
Secretary		
Susanne Honegger	(1961, CH)	Executive Assistant

MANAGEMENT

Martin Fleischer	(1970, AT)	Chief Executive Officer
Patrick Tschudin	(1974, CH)	Chief Financial Officer

[1] Member of the Chairman's Committee
[2] Member of the Audit and Risk Committee

EXTERNAL AUDITOR

PricewaterhouseCoopers AG
St. Jakobs-Strasse 25
P.O. Box
CH-4002 Basel
Tel: +41 58 792 51 00

CHANGES IN THE BOARD OF DIRECTORS

The following members resigned in 2015:
Anita Wetterlöf-Ajaxon
Dragoljub Simonovic

Both members were sincerely thanked for their active service.

EUROFIMA Annual Report 2015

Activity Report

2015 activities

2015 results and outlook for 2016

2015 activities

On January 15, 2015, the Swiss National Bank decided to discontinue the Euro/Swiss franc minimum exchange rate and to implement negative interest rates. As a direct consequence, the Swiss franc related conversion rates plummeted very significantly that day. The immediate impact on EUROFIMA was a balance sheet contraction of CHF 2.2 billion. Thanks to the systemic hedging of foreign exchange and interest rate risk by derivatives, assets and liabilities contracted synchronously. The net impact on equity was negligible.

While the Swiss franc weakened slightly in the course of 2015, the negative interest rates persisted, leading to difficult market conditions. To balance the impact from the Swiss National Bank's decisions, EUROFIMA successfully implemented a natural hedging strategy to partially cushion the increased hedging costs that resulted from widening interest rate differentials between the Swiss franc, the Euro and the US dollar. Furthermore, EUROFIMA broadened the set of high quality counterparties in which it invested. Over the year 2015, EUROFIMA did not give in to its strict credit quality requirements, nor did it increase the duration of its assets as a means of increasing returns.

EUROFIMA introduced new liquidity risk measures to ensure the continuing application of best practice methodologies. These measures include updated stress test scenarios and liquidity flow ratios. The targeted loan book reduction was pursued further, resulting in a major improvement in the non-investment grade exposure in the loan book per December 31, 2015 to 63.5% of equity (2014: 113.6% of equity). The coverage of derivative exposure by collateral could be kept at a sound level.

LENDING POLICY

EUROFIMA's core activity and public mission consist of supporting the development of rail transportation in Europe by providing its shareholders, 26 national railway operators, and other railway bodies with cost-effective financing to renew and modernize their railway equipment. The eligibility criteria and general procedures for granting this support are outlined in EUROFIMA's constitutive documents (Basic Agreement, Convention, Statutes) as well as in its Internal Policy Guide.

The conservative lending policy paired with the various layers of support granted in the constitutive documents result in a high-quality and resilient loan portfolio, which has never suffered a loss in the entire history of EUROFIMA.

Requests for financing from railway operators are evaluated through a thorough approval process consisting of three phases:

» *Internal due diligence:* EUROFIMA's internal teams appraise the economic, financial, legal and technical aspects of each railway project and evaluate any potential risk related to it. Particular emphasis is put on the technical and economic evaluation of the rolling stock which collateralizes the requested financing. If necessary, external consultants are involved to support the internal due diligence.

» *Approval from governing bodies:* The General Assembly sets the amounts which can be borrowed and subsequently used for lending purposes. The Board of Directors approves the financing requests.

» *Monitoring:* Upon conclusion of the financing, EUROFIMA monitors the implementation of each railway project, the status of rolling stock collateral and any systemic risk that may deteriorate its position as lender.

LENDING ACTIVITY IN 2015

EUROFIMA concluded 13 contracts with 4 shareholders or their affiliates for the financing of railway equipment. The railway equipment and the related financing amounts are given below.

Member State	Railway	Locomotives			Multiple-unit trains			Passenger cars	Freight cars	Financing (in million CHF)
		main-line		shunting	motor units		trailer cars			
		diesel	electric		diesel	electric				
Austria	ÖBB			14					7	14
Belgium	SNCB	29				132	55	231		432
Luxembourg	CFL					66		46		87
Switzerland	SBB					66	78			304
Total		**29**		**14**		**264**	**133**	**277**	**7**	**837**

EUROFIMA holds title or securities deemed equivalent (in particular pledges) to the railway equipment until the funds have been fully reimbursed. For the distribution of the railway equipment see the table below.

SUSTAINABILITY

In pursuing its lending activity, EUROFIMA supports economic growth, social equality and environmental sustainability in its member States. In particular, rail transport serves as the backbone for sustainable mobility.

Rail transport plays a key role in addressing road congestion, air pollution and climate change, by providing a low-carbon mobility alternative. According to the International Energy Agency and the International Union of Railways, the transport sector is responsible for nearly 23% of energy-based CO_2 emissions. However, the average greenhouse gas emission of rail transport is approximately 85% lower than the average emission of road and air transport.

EUROFIMA's commitment to promoting a low-carbon transport sector is shown through its current CHF 15.5 billion portfolio of loans provided to the railway sector. Its contribution to accessible, safe and affordable transport has aided the railway sector in increasing the number of passengers, in making the transport service safer, faster and more comfortable, and in reducing CO_2 emissions.

DISTRIBUTION OF EQUIPMENT BY TYPE AND RAILWAY

The following table indicates the equipment of each shareholder, or their affiliates, to which the company holds title or in which it has direct or indirect security interests deemed equivalent, in particular pledges.

Equipment as at December 31, 2015

Member State	Railway	Locomotives			Multiple-unit trains			Passenger cars	Freight cars	Other equipment
		main-line		shunting	motor units		trailer cars			
		diesel	electric		diesel	electric				
Germany	DB AG					50				
France	SNCF		63			80	386			
Italy	FS	1	570		79	381	365	2 276		
Belgium	SNCB	60	198		114	253	267	451		27
Netherlands	NS					285	370	55		
Spain	RENFE	60	100			526	561			
Switzerland	SBB		78	49		333	367	118		
Serbia	ŽS		21		24	4	4	2		
Luxembourg	CFL					66		46		
Austria	ÖBB	8	174	65	48	272	328	340	3 147	
Portugal	CP		12		22	179	193			
Greece	OSE	19	26		22		14	88		
Czech Republic	ČD					8	16	1		
Hungary	MÁV	33	27	12		2		87		
Slovakia	ŽSSK	2			21		21	52		
Croatia	HŽ							36		
Slovenia	SŽ		32							
Bulgaria	BDZ		11					117	4	
Montenegro	ŽPCG	8	1			6	6			
Denmark	DSB				20		10			
Total		**191**	**1 313**	**126**	**350**	**2 445**	**2 908**	**3 669**	**3 151**	**27**

CAPITAL MARKETS BORROWING STRATEGY

The borrowing operations provide long-term funds via bond issuances in the international capital markets to support EUROFIMA's core lending business and liquidity position. The borrowing strategy is built on three pillars.

» *USD and EUR benchmark issuance:* EUROFIMA issued tenors of 3, 5 and 10 years in USD in fixed and floating rate formats, and it has 4 outstanding USD 1 billion benchmarks as at December 31, 2015. In EUR, it has one outstanding 1 billion benchmark maturing in 2021.

» *Strategic commitment to the Australian dollar and Swiss franc bond markets:* EUROFIMA regularly pursues issuances in the domestic AUD and CHF markets, where it offers complete curves up to 2025 and 2030 respectively.

» *Currency diversification:* beyond its strategic focus on the above mentioned four currencies, EUROFIMA offers bonds in a few other markets. As at December 31, 2015, EUROFIMA has outstanding bonds in 7 different currencies.

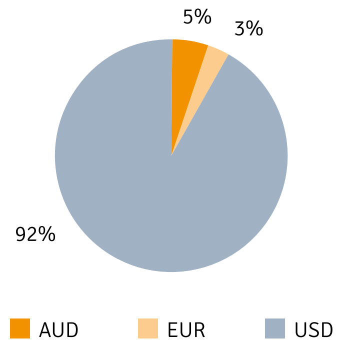
BORROWING ACTIVITY IN 2015

Following a strong first quarter in 2015, SSA issuers (sovereign, supranationals and state agencies) faced challenging market conditions with increasing political instability in Europe, economic slowdown in China and the emerging markets, and uncertainty surrounding the rate hike strategy of the Federal Reserve. The effect of the decoupling of central bank monetary policies was particularly evident for USD SSA issuers where issuance premiums increased and secondary spreads widened during the second half of 2015.

Nonetheless, SSA issuance as a whole was in line with that of 2014. EUR and USD remained the primary choice as borrowing currencies for the sector. In EUR approximately EUR 200 billion were raised in 2015, mainly in the long part of the curve, given the very low-yield environment. The USD market saw SSA issuances continue to concentrate in the 3- and 5-year tenors, while demand for longer tenors remained subdued. Issuance volume in the USD market reached approximately USD 191 billion.

In this environment, EUROFIMA successfully increased its annual borrowing volume in the debt capital markets to reach CHF 1.3 billion equivalent (+30% compared to 2014). Primary issuance was focused on three of its strategic currency markets: AUD, EUR and USD.

Borrowings in 2015 per currency



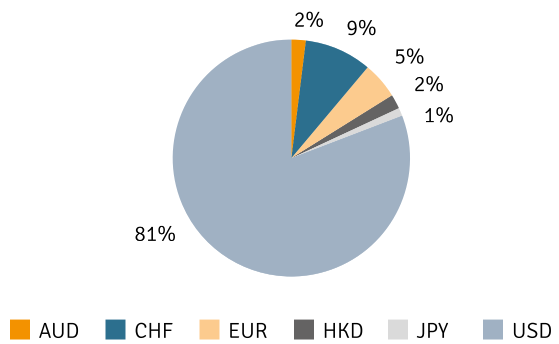
In the debt capital markets, EUROFIMA's initial focus in 2015 centered on the USD market. A new benchmark USD 1 billion fixed-rate bond due 2020 was launched and priced, marking EUROFIMA's successful return to the USD fixed-rate format since 2010, after a number of floating-rate notes issued in recent years. This issuance, as in the past, attracted strong investor demand from central banks and official institutions (46%), banks (29%), and asset managers (25%) from a wide geographic distribution.

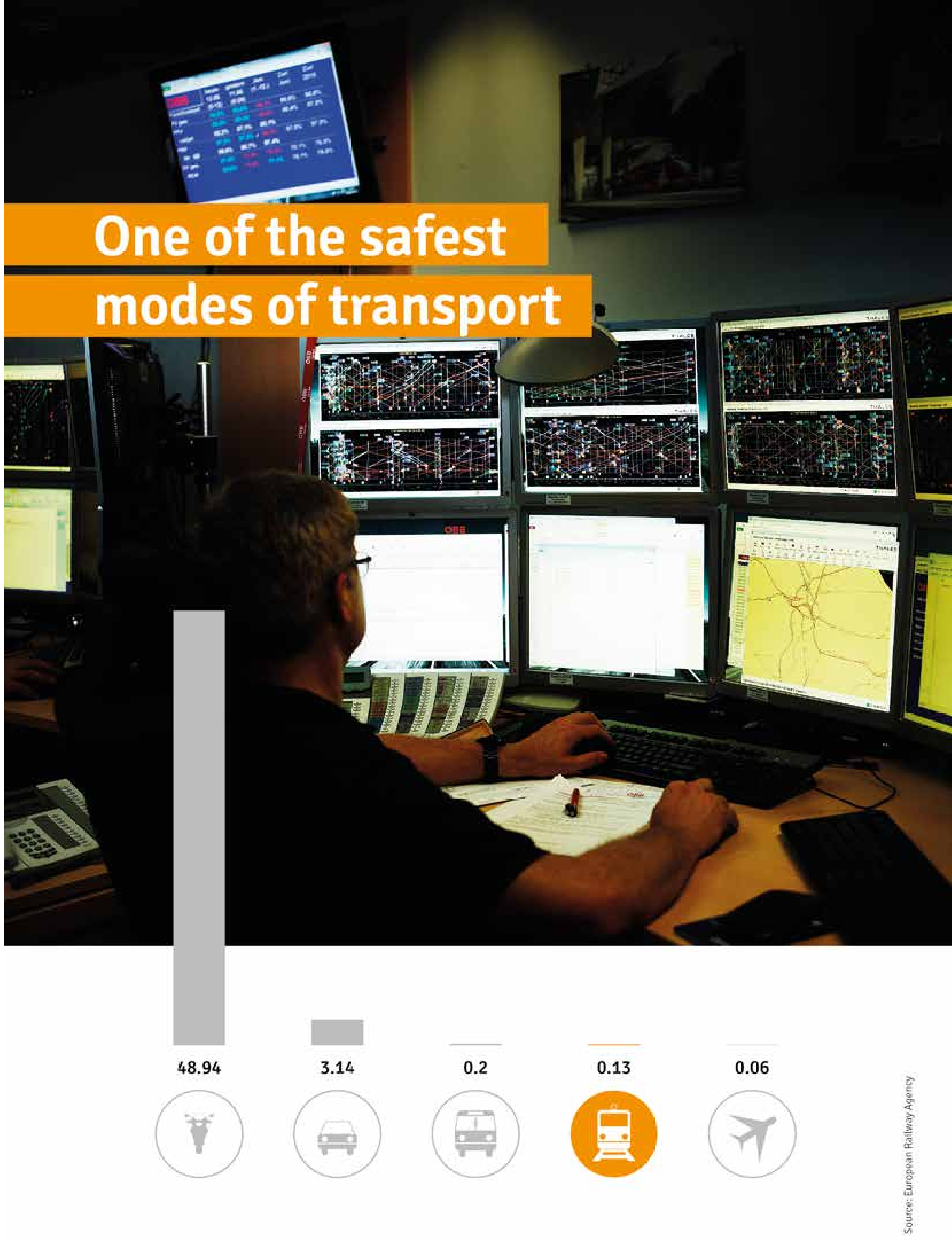
Following this transaction, EUROFIMA launched a new 10-year AUD 100 million bond in Kangaroo format. The bond was subsequently tapped four times, at the same reoffer spread despite increased market volatility, bringing the current size to AUD 320 million. This issuance marked the return of EUROFIMA to the long-end of the AUD curve. Investor demand was largely driven from insurance companies and asset managers (87%) across Asia.

Lastly, EUROFIMA wrapped up 2015 with a new long-dated issuance (due in 2030) in the EUR market, in private placement format. In the money markets, EUROFIMA issued CHF 3.8 billion equivalent of commercial paper, primarily in USD with a 3-month tenor.

REDEMPTIONS IN 2015

Redemptions reached the equivalent of CHF 7 205 million, CHF 4 015 million of which were due to repayments of short-term borrowings.





Fatalities per mode of transport in the EU
(per billion passenger/km, 2008-2012)

2015 results and outlook for 2016

2015 RESULTS

EUROFIMA's net profit for the financial year amounted to CHF 28.7 million, representing a reduction of CHF 4.2 million (-13%) compared to 2014. The low interest rates and strong CHF/EUR exchange rate were the main drivers of this decrease.

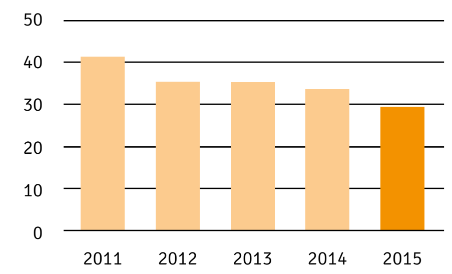
Income statement
The CHF 3.5 million (-14%) decline in net interest income from CHF 25.1 million to CHF 21.6 million largely resulted from the persisting low interest rate environment. This was mainly the result of negative interest rates in Swiss franc and Euro, combined with a significant volume of maturing financial investments which had to be reinvested in 2015.

Commission income and fees received fell by CHF 2.0 million (-14%) to CHF 12.5 million, largely as a result of the continuing loan book reduction. The strengthening of the Swiss franc against the Euro further contributed to this reduction in income.

Net other operating income, mainly consisting of realized and unrealized fair value gains and losses on financial instruments, dropped by CHF 1.6 million (-53%) to CHF 1.4 million. EUROFIMA realized CHF 4.3 million in net gains on the sale of debt securities, which were partially offset by other net realized and unrealized losses on financial investments.

Total operating expenses were CHF 2.9 million (-35%) lower in 2015 compared to 2014. A one-off past service gain resulting from a change in EUROFIMA's pension plan was the main cause for this reduction.

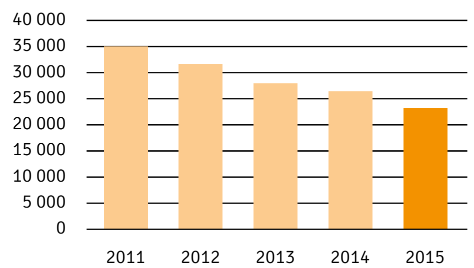
Net profit for the financial year
(in CHF million)



Balance sheet
Total assets decreased by CHF 3.3 billion (-13%) to CHF 22.8 billion. At constant exchange rates, this reduction would have amounted to CHF 2.4 billion (-9%). Net loan redemptions and the strengthening of the Swiss franc against the Euro mainly contributed to this significant decrease of the balance sheet total.

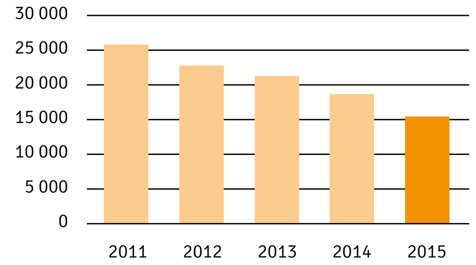
No impairments were recognized during the year. As per December 31, 2015, apart from a single past due totaling CHF 0.1 million, all assets were fully performing and there was no indication of impairment.

Total assets
(in CHF million)



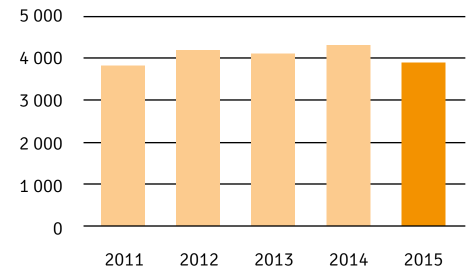
The portfolio of equipment financing contracts contracted by CHF 2.8 billion (15%). Besides an exchange rate effect of CHF 1.3 billion, redemptions of CHF 2.2 billion outweighed new financings of CHF 0.9 billion. Changes in fair values accounted for the remaining decrease of CHF 0.2 billion.

Equipment financing contracts
(in CHF million)



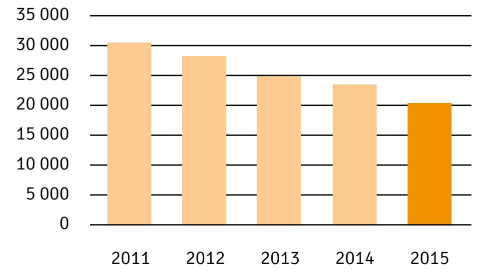
Thanks to already strong liquidity ratios, which further strengthened over 2015, the volume of liquid assets (consisting of cash and cash equivalents and financial investments) could be reduced by CHF 0.4 billion (-9%). The credit quality of liquid assets remained at a consistently high level.

Liquid assets
(in CHF million)

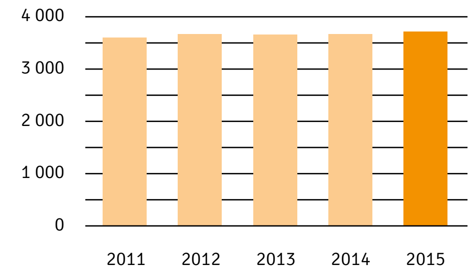


During the year of 2015, EUROFIMA significantly reduced its leverage. The CHF 3.2 billion decline in borrowings resulted in a further improvement in the ratio of outstanding borrowings divided by equity plus callable share capital to 5.5 (from 6.4).

Outstanding borrowings
(in CHF million)



Equity + Callable share capital
(in CHF million)



After appropriation of the surplus, the statutory reserves and fund for general risks amounted to CHF 1 050 million.

OUTLOOK FOR 2016

As deflationary pressures continue and economic growth remains at a low level, negative interest rates for the Euro and Swiss franc are anticipated to endure in 2016. The continuing pressure on the Swiss franc also adds to this expectation.

Because of the slow and differentiated recovery of the Eurozone countries, the persistently high unemployment and a rising Eurozone debt to GDP ratio, the ECB's current monetary easing is likely to continue.

The significant drop in commodity prices over 2015 has had a positive effect on the European trade surplus. However, low commodity prices are likely to slow down new capital investments in the medium term. Furthermore, the increased trade surplus is also the effect of stalling consumer spending in Europe, which leaves a weak economic growth expectation.

In this context, EUROFIMA prepares for a challenging operating environment in 2016. Pressure on EUROFIMA's net interest income will persist. The focus will remain on conservative risk management and equity preservation.

Evolution in the number of passengers per mode of transport in the EU
(% of passenger/km, 2004-2013)

EUROFIMA Annual Report 2015

Financial Statements

Income statement

(amounts in CHF '000)	Notes	2015	2014
Interest and similar income	4	784 466	959 143
Interest and similar charges	4	-762 874	-934 056
Net interest income		**21 591**	**25 087**
Commission income and fees received	5	12 497	14 514
Commission expenses and fees paid	5	-1 324	-1 300
Net commission income		**11 173**	**13 214**
Net gains/(losses) on financial instruments	6	1 240	2 922
Foreign exchange gains/(losses)		-12	-32
Other operating income/(expense)		164	99
Net other operating income/(expense)		**1 391**	**2 989**
Total operating income		**34 156**	**41 289**
General administrative expenses	7	-4 564	-7 563
Depreciation/amortization on fixed assets	13	-922	-853
Total operating expense		**-5 486**	**-8 416**
Net profit for the financial year		**28 670**	**32 873**

EUROFIMA Annual Report 2015

Statement of comprehensive income

(amounts in CHF '000)	Notes	2015	2014
Net profit for the financial year		**28 670**	**32 873**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Fair value adjustments on available-for-sale financial assets	16	-14 307	7 149
Items that will not be reclassified to profit or loss:			
Remeasurements on post-employment benefit liability	15,16	-1 784	-1 084
Other comprehensive income for the financial year		**-16 092**	**6 066**
Total comprehensive income for the financial year		**12 578**	**38 939**

Balance sheet

(amounts in CHF '000)	Notes	December 31, 2015	December 31, 2014
Assets			
Cash and cash equivalents	8	1 015 839	1 205 793
Financial investments	8	2 900 206	3 098 890
Placements with credit institutions		486 604	536 616
Debt securities		2 413 603	2 562 274
Equipment financing contracts	9	15 508 029	18 274 681
Derivative financial instruments	10	3 360 965	3 493 445
Other assets		4 484	2 629
Accrued income and prepaid expenses	12	4 328	5 063
Tangible fixed assets	13	6 511	6 563
Intangible fixed assets	13	1 123	1 815
Total assets		**22 801 486**	**26 088 879**
Liabilities			
Amounts due to credit institutions and customers	14	1 391 457	1 431 448
Debts evidenced by certificates	14	18 772 114	21 868 597
Debt securities in issue		17 551 933	20 312 058
Others		1 220 181	1 556 539
Derivative financial instruments	10	1 023 429	1 185 984
Other liabilities		13 081	13 091
Accrued expenses and deferred income		1 103	676
Post-employment benefit liability	15	3 394	4 753
Total liabilities		**21 204 577**	**24 504 549**
Equity			
Paid-in capital		520 000	520 000
Subscribed share capital		2 600 000	2 600 000
Callable share capital		-2 080 000	-2 080 000
Statutory reserves	16	749 784	721 640
Fund for general risks		299 907	294 907
Other reserves	16	2 459	18 550
Retained earnings		24 759	29 233
Unappropriated surplus previous year		470	741
Net profit for the financial year, before appropriation		28 670	32 873
Effects from transition to IFRS		-4 381	-4 381
Total equity		**1 596 909**	**1 584 330**
Total liabilities and equity		**22 801 486**	**26 088 879**

Statement of changes in equity

(amounts in CHF '000)	Subscribed share capital	Callable share capital	Statutory reserves	Fund for general risks	Other reserves	Retained earnings	Total
Balance at January 1, 2014	**2 600 000**	**-2 080 000**	**691 417**	**289 907**	**12 485**	**31 583**	**1 545 391**
Net profit for the financial year						32 873	**32 873**
Other comprehensive income for the financial year					6 066		**6 066**
Appropriation of surplus			30 223	5 000		-35 223	**0**
Balance at December 31, 2014	**2 600 000**	**-2 080 000**	**721 640**	**294 907**	**18 550**	**29 233**	**1 584 330**
Balance at January 1, 2015	**2 600 000**	**-2 080 000**	**721 640**	**294 907**	**18 550**	**29 233**	**1 584 330**
Net profit for the financial year						28 670	**28 670**
Other comprehensive income for the financial year					-16 092		**-16 092**
Appropriation of surplus			28 144	5 000		-33 144	**0**
Balance at December 31, 2015	**2 600 000**	**-2 080 000**	**749 784**	**299 907**	**2 459**	**24 759**	**1 596 909**

Statement of cash flows

(amounts in CHF '000)	2015	2014
Cash flows from operating activities		
Disbursements of equipment financings	-925 855	-962 667
Repayments of equipment financings	2 148 488	3 394 953
Interest paid	-872 555	-1 033 019
Interest received	895 975	1 065 729
Commission and fees paid	-2 040	-881
Commission and fees received	12 994	15 300
Other operating cash flows paid	-8 674	-9 964
Other operating cash flows received	526	822
Net cash from operating activities	**1 248 859**	**2 470 274**
Cash flows from investing activities		
Financial investments		
Purchases of debt securities	-1 400 108	-1 407 412
Redemptions of debt securities	1 155 519	911 300
Sales of debt securities	295 865	545 505
Placements with credit institutions	-867 067	-1 008 508
Repayments of placements with credit institutions	894 632	896 675
Other items		
Purchase and disposal of fixed assets	-178	22
Net cash from investing activities	**78 663**	**-62 419**
Cash flows from financing activities		
Issue of debt evidenced by certificates	4 992 121	3 440 814
Redemption of debt evidenced by certificates	-6 968 542	-5 512 480
Placements with credit institutions and customers	217 864	258 758
Redemptions of placements with credit institutions and customers	-236 864	-727 513
Net cash flow from derivative financial instruments	502 755	244 097
Net cash from financing activities	**-1 492 665**	**-2 296 324**
Net foreign exchange rate difference	-24 811	-19 742
Increase/(decrease) in cash and cash equivalents	**-189 954**	**91 790**
Cash and cash equivalents at the beginning of the year	1 205 793	1 114 004
Cash and cash equivalents at the end of the year	1 015 839	1 205 793

Notes to the financial statements

1. GENERAL INFORMATION

EUROFIMA ('the entity') was established on November 20, 1956 as a joint stock company, based on an international treaty (the "Convention") between sovereign States. EUROFIMA is a single entity domiciled in Basel, Switzerland. The general principles of EUROFIMA's activity are defined in an agreement (the "Basic Agreement") between the railways and EUROFIMA. The Basic Agreement remains valid for the entire duration of EUROFIMA's existence and can only be altered with the consent of all the railways and EUROFIMA.

EUROFIMA finances railway equipment through borrowings in the international capital markets and through the use of a part of its equity. EUROFIMA either holds title to the equipment it finances until the financing has been completely reimbursed or it holds a direct or indirect security interest deemed equivalent, particularly pledges.

EUROFIMA's equity is primarily used for liquidity management purposes, i.e. investments in money market paper or bonds and, to a limited extent, for financing railway equipment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The financial statements of EUROFIMA have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a historical cost basis, except for available-for-sale investments, derivative financial instruments and financial assets and liabilities designated at fair value through profit or loss, all of which have been measured at fair value.

The financial statements are presented in CHF.

2.2. Presentation of financial statements

The entity presents its balance sheet generally in order of liquidity.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the income statement unless required or permitted by any accounting standard or interpretation.

2.3. Significant accounting judgments and estimates

In preparing the financial statements, EUROFIMA is required to make certain critical accounting estimates and assumptions that affect the reported profits, financial position and other information disclosed in the financial statements. These estimates are based on available information and judgments made by EUROFIMA. Actual results in the future could deviate from such estimates and the difference may be material to the financial statements.
The most significant judgments and estimates are:

Fair values of financial instruments
Where the fair values of financial assets and financial liabilities recorded on the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data. Only in the very infrequent situation that observable market data is not available, judgment is required to establish fair values. Further information can be found in note 2.5.8.

Impairment losses on financial assets
EUROFIMA reviews its individually significant financial assets at least at each balance sheet date to assess whether there is objective evidence of impairment as a result of one or more events. When determining a potential impairment loss, EUROFIMA's judgment is required in the estimation of the amount and timing of future cash flows. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to an allowance for impairments.

Pension obligation
The cost of the defined benefit pension plan is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long–term nature of these plans, such estimates are subject to significant uncertainty. See note 15 for the assumptions used.

2.4. Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"), which is the Swiss franc. The financial statements are presented in Swiss francs ("the presentation currency").

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the translation of all assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading 'Foreign exchange gains/(losses)'.

Monetary assets and liabilities denominated in currencies other than Swiss franc are translated into Swiss francs at the exchange rate prevailing at the balance sheet date. The gain or loss arising from such translation is recorded in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5. Financial instruments

2.5.1. Initial recognition, subsequent measurement and derecognition

Regular way purchases are recognized and derecognized in the balance sheet on the trade date, i.e. the date that the entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all rights and rewards of ownership. Financial liabilities are derecognized when the obligations specified in the contract are discharged or have expired.

Financial instruments are initially recognized at fair value plus, in the case of financial instruments not carried at fair value through profit or loss, transaction costs. Available-for-sale financial assets and financial instruments at fair value through profit or loss are subsequently carried at fair value. Loans and receivables, held-to-maturity assets and financial liabilities at amortized cost are carried at amortized cost using the effective interest rate method.

Realized and unrealized gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the income statement in the period in which they arise under the heading 'Net gains/(losses) on financial instruments'.

When the transaction price differs from the fair value of other observable current market transactions in the same instrument, or differs based on a valuation technique whose variables include only data from observable markets, the entity immediately recognizes the difference between the transaction price and fair value (a "Day 1" profit or loss) in "Net gains/(losses) on financial instruments". In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognized in the income statement when the inputs become observable, or when the instrument is derecognized.

Unrealized gains and losses arising from changes in the fair value of available-for-sale debt instruments, excluding foreign currency translation gains and losses, are recognized in other comprehensive income and are accumulated in the other reserves until such instrument is sold, collected or otherwise disposed of. Currency translation effects on available-for-sale debt instruments are recognized in the income statement. Interest earned on available-for-sale financial investments is recognized as interest income and calculated in accordance with the effective interest rate method.

When securities classified as available-for-sale are sold, collected, disposed of, or impaired, the unrealized gains or losses are included in the income statement.

2.5.2. Financial instrument categories

Financial assets or financial liabilities at fair value through profit or loss
This category has two sub-categories: financial assets or financial liabilities held for trading, and those designated as at fair value through profit or loss at initial recognition.

A financial asset or financial liability is classified as held for trading if acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if so classified by EUROFIMA. Derivatives are used by EUROFIMA for risk reduction purposes only. In accordance with IAS 39, derivatives are classified as held for trading.

For financial assets or financial liabilities designated as at fair value through profit or loss, the criteria for so designating such financial assets or financial liabilities at initial recognition is that the currency and/or interest rate risk in all of these positions are economically hedged using derivatives. The cash flows on a set of financial instruments are matched together offsetting the changes in fair values in the income statement. In such instances, the application of the Fair Value Option results in more relevant information, as accounting mismatches are significantly reduced in the sense that the same accounting valuation can be applied to all involved financial instruments. Without the use of the Fair Value Option, an accounting mismatch would arise as only some of the instruments would be measured at fair value through profit or loss (i.e. derivatives).

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when EUROFIMA provides money or services directly to a debtor with no intention of trading the receivable.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that EUROFIMA has the positive intention and ability to hold to maturity.

Available-for-sale financial assets
Available-for-sale financial assets are those non-derivative financial assets (debt instruments) that are either designated in this category or not classified in any of the other categories.

Available-for-sale financial assets may be sold in anticipation of or in response to changes in interest level, creditworthiness or liquidity needs.

Financial liabilities at amortized cost
Financial instruments issued by the entity that are not designated at fair value through profit or loss, are measured at amortized cost. After initial measurement at fair value, debt issued and other borrowings are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the effective interest rate.

2.5.3. Cash and cash equivalents

Cash and cash equivalents ("CCE") comprise cash deposits held at call with banks and other short-term investments with an original contractual maturity of three months or less, calculated from the date the placement or the acquisition was made. In the balance sheet, bank overdrafts are included in amounts due to credit institutions and customers. Cash deposits held at call are classified as loans and receivables. Other short term investments that comprise cash and cash equivalents are classified as either financial assets at fair value through profit or loss or loans and receivables. The classification depends on the purpose for which the instruments were acquired.

2.5.4. Financial investments

EUROFIMA classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. It determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

2.5.5. Equipment financing contracts

Equipment financing contracts are measured at amortized cost if the Fair Value Option is not applied. In most cases the equipment financing contract meets the criteria for applying the Fair Value Option and EUROFIMA designates the equipment financing contract irrevocably on initial recognition as financial asset at fair value through profit or loss. The matching of the equipment financing contracts, swaps and borrowings is one key criterion for the application of the Fair Value Option and for the designation at fair value of all involved financial instruments.

2.5.6. Derivative financial instruments

Derivative financial instruments are initially recognized in the balance sheet at fair value and are subsequently measured at fair value. They are recorded in the balance sheet as an asset in cases of positive fair value and as a liability in cases of negative fair value.

Even though EUROFIMA only uses derivatives to effectively mitigate currency and exchange risks in accordance with its risk management policies, it does not apply hedge accounting. However, it applies the Fair Value Option, with which a natural hedge (offset) can be achieved. Due to the

EUROFIMA Annual Report 2015

principle of cash flow matching, opposite changes in fair values of financial assets and liabilities and related derivative instruments tend to offset each other. As a result, an accounting mismatch is reduced.

2.5.7. Amounts due to credit institutions and customers and debts evidenced by certificates

Outstanding borrowings are carried at amortized cost using the effective interest rate method if the Fair Value Option is not applied. In most cases borrowings involved in the financing of railway equipment are designated as at fair value through profit or loss (see section above). The matching of the equipment financing contracts, swaps and borrowings is the reason for the designation at fair value through profit or loss of all involved financial instruments. Borrowings carried at amortized cost are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing using the effective interest rate method.

2.5.8. Determination of fair value

The fair values of liquid assets quoted in an active market are determined based on the instruments' quoted market prices or dealer price quotations, without any deduction for transaction costs. According to the fair value measurement hierarchy stated in note 17, these instruments are classified as "Level 1".

For all other financial instruments, EUROFIMA establishes the fair values by using valuation techniques. These may include the use of recent arm's length transactions, reference to other instruments that are substantially the same and a discounted cash flow model that maximizes the use of independently sourced market parameters, for example yield curves and currency rates. Most market parameters are either directly observable or are implied from instrument prices. The model may perform numerical procedures in the pricing such as interpolation when input values do not directly correspond to the most actively traded market trade parameters. With the exception of one investment, no valuations include significant unobservable inputs.

The valuation process involves the determination of future expected cash flows based on the contractual agreements and the computation of their present value using currently observable money market yield curves, swap yield curves and foreign exchange rates.

Valuation models and techniques are reviewed regularly for model performance and calibration. Current year valuation methodologies were consistent with the prior year unless otherwise noted.

As valuation techniques are used, the estimated fair value of financial instruments may not be realizable in the market and deviate significantly under different assumptions and parameters. If the measurement is mainly based on observable market data, the instruments are classified as "Level 2". In cases where fair value determination is not based on observable market data, the instruments are classified as "Level 3".

2.5.9. Impairment of financial assets

At each balance sheet date, EUROFIMA assesses whether there is objective evidence that a financial asset or a group of financial assets might be impaired.

Objective evidence may include: indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount or net present value of expected future cash flows calculated using the original effective interest rate.

If any such evidence exists for available-for-sale debt instruments, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss) is removed from equity and recognized in the income statement.

If, in a subsequent period, the fair value of a financial instrument increases and the increase can be objectively related to a credit event occurring after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

2.6. Fixed assets

Fixed assets include the entity's premises "Ritterhof", office equipment and other tangible and intangible fixed as-

sets owned by the entity.

Tangible and intangible fixed assets are stated at historical cost less accumulated depreciation and amortization less any accumulated impairment in value. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement. Assets purchased at a price below CHF 20 000 are not recognized on balance, but expensed directly based on materiality.

Depreciation is calculated using the straight-line method to write down the cost of the fixed assets to their residual values over their estimated useful lives. The estimated useful lives are:

» Buildings	40 years
» Land	Indefinite useful life
» Furniture, equipment and vehicles	2 to 10 years
» Computer hardware & licenses	3 to 5 years

Fixed assets are derecognized on disposal or when no future economic benefits are expected from their use.

2.7. Impairment of fixed assets

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the entity estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the income statement.

2.8. Post-employment benefit liability

Under IFRS, EUROFIMA's pension plan qualifies as a defined benefit plan. It is governed by Swiss law. The plan is a group administration plan managed and administered by a third party under contractual agreements with the entity. Plan assets held in trust are governed by Swiss regulations and practice, as is the nature of the relationship between the entity and the trustee. Contributions to the pension plan are paid by the employer and the employees.

The liability recognized in the balance sheet in respect of this defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds denominated in Swiss francs (the currency in which the benefits will be paid) and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in income.

Interest expense (income) on the net defined benefit obligation are presented in the income statement as part of the "interest and similar expenses" ("interest and similar income").

2.9. Provisions

Provisions are recognized when (i) the entity has a present legal or constructive obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.10. Equity

The subscribed share capital is made up of 260 000 registered shares with a nominal amount of CHF 10 000 each, 20% of which is paid in. The unpaid subscribed share capital may be called in unconditionally at any time by decision of the Board of Directors, as described in Article 21 of the Statutes.

The statutory reserves are made up of the ordinary reserve and the guarantee reserve. In the event of a default under an equipment financing contract, the guarantee reserve, as described in Article 29 of the Statutes, may be called upon.

The fund for general risks includes amounts which the entity decides to put aside to cover risks associated with equipment financing contracts and other financial operations, such as swaps, having regard to the particular risks attached to such operations.

The other reserves include the reserve for other value adjustments due to changes in the fair value of available-for-sale financial assets. Furthermore, the other reserves include that part of other comprehensive income that is attributable to the entity's defined benefit pension plan.

2.11. Dividends

Dividend distribution to the entity's shareholders is recognized as a liability after the dividends are approved by the General Assembly.

2.12. Accrued income, prepaid expenses, accrued expenses and deferred income

Accrued income and prepaid expenses comprise income related to the current financial year, to be received in a subsequent financial year and expenditure incurred during the financial year but relating to a subsequent financial year.

Accrued expenses and deferred income comprise expenses related to the current financial year, to be paid in a subsequent financial year and income received at or before the balance sheet date but relating to a subsequent financial year.

2.13. Recognition of income and expenses

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The below specific recognition criteria must also be met before revenue is recognized.

2.13.1. Interest and similar income and expense

For all financial instruments measured at amortized cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The entity may act as an agent in a limited number of financing transactions. Where this is the case, only a net amounts earned will be presented in interest and similar income.

2.13.2. Fees and commission income

Issuance fees and redemption premiums or discounts are accrued over the period to maturity of the related borrowings. Any early redemption fees are recognized when a contract is early terminated.

Commission income on equipment financing contracts is recorded on an accrual basis.

2.13.3. Net gains/losses on financial instruments

The entity recognizes both realized and unrealized gains and losses on debt securities and other financial instruments including the results from the sale of available-for-sale financial assets in Net gains/losses on financial instruments.

2.14. Taxation

As a public international body set up by a large number of States, the entity benefits from comprehensive tax exemptions pursuant to the Additional Protocol to the Convention. In Switzerland, besides being exempt from any income and capital taxes otherwise levied on corporations, such provisions include the following privileges relevant to the capital market: exemption from stamp duties on any issuance of debt instruments by the entity and exemption of the entity's debt instruments issued outside Switzerland from turnover taxes, and finally exemption of debt instruments issued outside Switzerland from Swiss withholding taxes.

EUROFIMA Annual Report 2015

2.15. Segment reporting

EUROFIMA is a single entity without subsidiaries and operates as a one segment entity, which is in accordance with the internal reporting structure to the Management and the Board of Directors.

2.16. Related parties

Germany and France hold 22.6% of EUROFIMA's share capital each through their fully owned state railways DB AG and SNCF. Consequently, these countries qualify as related parties together with their railways.

EUROFIMA has identified members of the Board of Directors, the Management Committee and the Unit Heads as key management personnel.

2.17. New standards, amendments and interpretations adopted by the entity

EUROFIMA adopted the amendments to IAS 19, 'Employee benefits'. The amendments clarify the accounting for defined benefit plans that require employees or third parties to contribute towards the cost of the benefits. The amendments allow contributions that are linked to service, but that do not vary with the length of employee service (e.g. a fixed % of salary), to be deducted from the cost of benefits earned in the period that the service is provided. The amendment is effective for annual periods beginning on or after July 1, 2014.

Other standards, amendments and interpretations which are effective for the financial year beginning on January 1, 2015, are not material to the entity.

2.18. Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the entity's financial statements are disclosed below. The entity intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments
IFRS 9, as issued, reflects the IASB's work on the replacement of IAS 39. The complete version of IFRS 9 was issued in July 2014 and addresses the classification, measurement and recognition of financial assets and financial liabilities and hedge accounting.

IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements.

IFRS 9 introduces an expected credit loss (ECL) model which involves a three-stage approach whereby financial assets move through the three stages as their credit quality changes. The stage dictates how an entity measures impairment losses and applies the effective interest rate method.

The hedge accounting model under IFRS 9 replaces the rule-based hedge accounting requirements in IAS 39 to more closely align the accounting with risk management activities.

The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted. EUROFIMA is yet to assess IFRS 9's full impact.

IFRS 15 Revenue from contracts with customers
IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

The standard is effective for annual periods beginning on or after January 1, 2017, and earlier application is permitted. EUROFIMA does not anticipate IFRS 15 will have a material impact on future financial statements.

IFRS 16 Leases
The new Leases standard aims to improve the quality and comparability of financial reporting by providing greater transparency about leverage, the assets an organization uses in its operations and the risks to which it is exposed from entering into leasing transactions.

The new Leases standard will be effective from January 1, 2019. EUROFIMA does not anticipate the new Leases standard will have a material impact on future financial statements.

3. RISK AND CAPITAL MANAGEMENT

The identification, measurement, monitoring and control of risk are key management responsibilities. The principles and policies for risk management are established by the Board of Directors. The compliance with these guidelines and the implementation of controls are the Management's responsibility. Risk management within the entity is based on a risk management framework that provides the overarching principles for the risk management activities and the detailed risk policies and limit framework.

Within the normal course of its activities, EUROFIMA is exposed to a variety of financial risks, mainly credit risk, market risk and liquidity risk. EUROFIMA's risk management focuses on the unpredictability of financial markets and aims at minimizing potential adverse effects on its financial position and performance. EUROFIMA's risk management seeks to appropriately identify, measure, monitor and report all types of risks inherent in the entity's operations. The risk management and control processes are reviewed and refined on a regular basis.

3.1. Managing financial risk

The Board of Directors approves the policies regulating the entity's capital market, lending and treasury activities. These policies cover the management of credit risk, market risk and liquidity risk. In this regard, systems and procedures are in place to control and report on the main financial risks. Exposure to credit risk, market risk and liquidity risk is controlled by a system of pre-approved risk limits. Such limits are reviewed and adjusted periodically in light of external developments and experience. Compliance with established limits and policies is monitored by controlling and internal audit which are independent from the units carrying out the transactions. The results of such compliance checks are periodically reviewed by the Management and the Audit and Risk Committee.

On a quarterly basis, the Board of Directors receives from the Management both a risk report and a status report on the financial results of the entity. The risk report provides the Board of Directors with the status of various quantitative risk parameters, including a mapping of risks in a risk matrix where these risks are assessed for their likelihood of occurrence and potential impact.

Quantitative key risk figures that are regularly monitored and reported upon are, among other things, the following:

» Credit risk:
- Credit exposure per consolidated obligor
- Breakdown of assets per external credit rating provided by various rating agencies
- Composition of the derivatives book and the collateral coverage
- Risk weight of assets
- Credit risk concentration

» Market risk:
- Sensitivity analysis, with a special focus on long term financial assets and available-for-sale financial assets
- Interest rate reset risk analysis
- Net foreign currency position

» Liquidity risk:
- Debt service coverage ratio
- Liquidity stress tests
- Liquidity forecasts

» Equity risk:
- Estimated Basel III ratio
- Capitalization ratios

The Management also provides the Board of Directors with regular updates on key financial risk issues and other significant events deemed appropriate or requested.

A review of the major risks which could affect the entity's balance sheet and income statement is included in the agenda of every quarterly Board meeting. The latest assessment of risks by the Board of Directors was performed on December 11, 2015.

EUROFIMA is an end-user of derivative financial instruments. It does not perform any proprietary trading activities and uses derivative financial instruments solely for hedging of market risk exposures. It predominantly uses interest rate and cross currency swaps. It does not use any credit derivatives.

3.2. Credit risk

Credit risk is the risk of financial loss resulting from a counterparty failing to honor its payment obligation. Credit risk is the main financial risk in EUROFIMA's operations. It primarily originates from EUROFIMA's core lending activities. EUROFIMA is also exposed to credit risk from treasury investments held to manage its liquidity and market risks.

EUROFIMA follows a prudent approach towards credit risk. Policies approved by the Board of Directors set out minimum credit quality levels for counterparties on the basis of the ratings attributed to counterparties and/or instruments by the rating agencies Standard & Poor's and Moody's. Furthermore, other observable information is used to assess and monitor the credit risk.

Individual counterparty limits are set and reviewed on a monthly basis by the Management. Credit exposure is reported to the Board of Directors quarterly on an obligor basis, i.e. the exposure to connected individual counterparties is consolidated. The entity's maximum exposure to credit risk, before taking into account any collateral or other credit enhancements, is represented by the carrying amounts of its financial assets.

As at December 31, 2015, all financial assets were fully performing (December 31, 2014: fully performing). No impairment was recognized in 2015 (2014: none). An amount of CHF 0.1 million was past due per December 31, 2015 (December 31, 2014: no amounts past due).

Equipment financing contracts
For each financial year, the General Assembly determines the maximum amount of borrowings which may be concluded for the purpose of equipment financing. The Board of Directors decides a financing budget within such maximum amount. Financing limits can be adjusted within a financial year in response to credit relevant developments.

Equipment financing contracts are secured by railroad rolling stock. The entity either holds title to equipment or has a direct or indirect security interest deemed equivalent, in particular pledges, until all contractual obligations are fulfilled. Where rolling stock provided as collateral does no longer meet the requirements laid down in the financing contract, it is substituted. The collateral is administered by the entity. The regular verification of technical and accounting information assures that the entity keeps track of the rolling stock collateral and initiates collateral substitutions in a timely manner.

Moreover, EUROFIMA engages independent experts to support its recurring technical and economic evaluation of the rolling stock collateral and to perform onsite examinations of some of its rolling stock collateral.

During the year, EUROFIMA did not take possession of any rolling stock collateral (2014: none).

Pursuant to Article 26 of the Statutes, each shareholder guarantees the fulfillment of all equipment financing contracts on a pro rata basis of its participation in EUROFIMA's subscribed share capital and up to a maximum amount equal to its participation in EUROFIMA's share capital. Such shareholder guarantee can only be called where (i) a railway and its member State have not discharged obligations under equipment financing contracts and (ii) the guarantee reserve, as stipulated by Article 29 of EUROFIMA's Statutes, is not sufficient to cover the loss resulting from such non-payment. As at December 31, 2015, taking into account only shareholders from member States rated AAA/Aaa or AA/Aa, the shareholder guarantee amounted to CHF 1.89 billion and CHF 1.87 billion based on the ratings of Standard & Poor's and Moody's respectively.

The credit risk inherent in the portfolio of equipment financing contracts is reviewed and monitored on an ongoing basis. A breakdown of the equipment financing contracts per counterparty and per credit rating is provided in note 9.

Derivatives
The net positive replacement value of derivatives concluded with financial counterparties amounted to CHF 2 981 million as at December 31, 2015 (2014: CHF 3 007 million). The International Swaps and Derivatives Association ("ISDA") Master Agreement is the entity's preferred agreement for documenting derivatives activity. It provides the contractual framework within which the over-the-counter products are concluded, and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other contractually defined termination events occur.

In order to reduce the credit exposures of derivatives, EUROFIMA has entered into ISDA Master Agreements with one-way credit support annex (CSA) collateral agreements with most major derivative counterparties. Such CSA agreements require that collateral be posted by the derivative counterparty once the exposure exceeds a contractually defined threshold. Securities received as collateral are held on an account to which the entity holds legal title.

The fair value of the collateral received by EUROFIMA under its CSA's as at December 31, 2015, amounted to CHF 2 431 million (2014: CHF 2 250 million). As at year-end 2015, 79% of the net positive replacement value of all derivatives concluded with financial counterparties was covered by collateral (2014: 73%). This collateral consisted exclusively of bonds issued by governments, state agencies and supranational organizations with a high credit rating. All derivatives are valued at their net present value and the positions per counterparty are monitored on a daily basis.

Liquid assets
Liquid assets comprise of cash and cash equivalents and financial investments. For investments in securities with maturities greater than one year, the minimum rating at the time of purchase is AA-/Aa3 (based on Standard & Poor's and/or Moody's ratings). For instruments maturing in less

than one year, a prerequisite minimum rating is A-1/P-1.

The breakdown by rating of the financial investments is provided in note 8. All short-term positions under cash and cash equivalents were either rated A-1+/A-1 or P-1, except for some insignificant bank accounts, which were rated A-3/P-2.

In 2015, EUROFIMA entered into tri-party reverse repurchase contracts, in which it invested in money market instruments and received debt securities as collateral. Per December 31, 2015, EUROFIMA did not hold any such investments (2014: CHF 314 million). During the year 2015, the entity did not take possession of any of these collaterals (2014: none).

3.3. Market risk

Market risk is the risk that movements in market factors, including foreign exchange rates and interest rates, will reduce the income and value of the entity's portfolio of financial instruments. The entity does not invest in equity instruments. In its core activities, EUROFIMA is exposed to foreign exchange and interest rate fluctuations primarily from the fact that debt is often issued in a currency and with interest rate structures differing from those of the equipment financing contracts. Without hedging, this would result in currency and interest rate mismatches between assets and liabilities. The key risk management principle adopted by EUROFIMA is a systematic hedging of such mismatches so that the potential adverse effect of foreign exchange and interest rate fluctuations is effectively reduced to nil. In order to hedge such mismatches, EUROFIMA utilizes interest rate and currency swaps. These instruments are used within the ambit of economic micro-hedging with their cash flows matching those of related assets and liabilities. As a result, the currency and interest rate profile of the borrowings is matched with the profile of equipment financing contracts.

As at year-end 2015, pre-funding for future equipment financing was limited to a maximum amount of EUR 1 000 million (December 31, 2014: EUR 1 000 million). Pre-funding allows tapping into the capital markets when borrowing conditions are favorable. Usually, such pre-funding operations are transacted (after swaps) on a variable interest rate basis so that the funds can be warehoused with a minimum interest rate risk until they are needed for lending disbursement.

A residual exposure to market risk arises almost exclusively from the investment of the funded liquidity and the investment of the entity's own equity. EUROFIMA applies a framework of limits to control and manage such residual market risk exposure. Maximum exposure limits are set by the Management and the Board of Directors. Such limits include both notional limits (e.g. maximum exposure to a certain currency) and limits to the sensitivity of the entity's results to changes in market variables (e.g. maximum allowed effect from a 1 basis point change in interest rates, ceteris paribus). Compliance with these limits is assessed on a regular basis by controlling and internal audit.

Investments of the funded liquidity and of the equity are exposed to changes in market interest rates. Firstly, the future interest income derived from such investments is influenced by the level of market interest rates prevailing at the time of their investment or reinvestment. Secondly, the institution's net profit and equity (in case of investments classified as "at fair value through profit or loss" or "available-for-sale") are also affected by the fluctuations in the fair value of such investments caused by changes in market interest rates and credit spreads. EUROFIMA measures its exposure to interest rate risks through sensitivity analysis. Such an analysis indicates the sensitivity of the fair value of financial instruments classified as "at fair value through profit or loss" and "available-for-sale" to parallel shifts in all yield curves.

A parallel shift in the yield curve for each respective currency would have had the following impact on the entity's equity and net profit, based on all positions the entity had:

	December 31, 2015		December 31, 2014	
(amounts in CHF million)	**Impact on Equity**	**Impact on net profit**	**Impact on Equity**	**Impact on net profit**
+100bp	**-27.4**	**1.0**	-27.0	0.6
-100bp	**29.3**	**-1.0**	28.7	-0.6

EUROFIMA Annual Report 2015

The interest rate sensitivity in equity is solely due to the available-for-sale debt securities held as part of the entity's liquid assets.

EUROFIMA measures and manages its foreign exchange risk in terms of the difference between assets and liabilities per currency on a daily basis. It aims at keeping such foreign exchange risk as close as possible to zero. This policy has proven itself when the Swiss franc appreciated strongly against most currencies in January 2015. The net currency loss incurred by the entity amounted to only CHF 0.0 million. Future net interest income and commission income in foreign currencies are not hedged. As at December 31, 2015, the counter value in Swiss francs of all net foreign exchange positions amounted to CHF 0.7 million (2014: CHF 0.7 million).

The net currency position at each balance sheet date is as follows:

December 31, 2015

(amounts in CHF million)	EUR	USD	AUD	JPY	CAD	Other	Total
Assets							
Liquid assets	867	449	60	523	0	157	2 056
Equipment financing contracts	11 182	1 545	0	0	0	81	12 808
Derivative financial instruments	-8 263	4 026	3 064	195	485	112	-382
Accrued income and prepaid expenses	3	0	0	0	0	0	4
Total assets	**3 789**	**6 020**	**3 123**	**718**	**485**	**350**	**14 485**
Liabilities and equity							
Borrowings	3 699	5 840	3 419	899	485	330	14 672
Derivative financial instruments	86	182	-294	-181	0	19	-189
Reserve for available-for-sale financial instruments	5	-1	-2	0	0	0	1
Total liabilities and equity	**3 789**	**6 020**	**3 123**	**718**	**485**	**349**	**14 485**
Net currency position	**0**	**0**	**0**	**0**	**0**	**0**	**1**

December 31, 2014

(amounts in CHF million)	EUR	USD	AUD	JPY	CAD	Other	Total
Assets							
Liquid assets	1 272	609	20	772	0	60	2 733
Equipment financing contracts	13 869	1 596	0	0	0	245	15 710
Derivative financial instruments	-8 989	4 178	3 366	-250	566	254	-875
Accrued income and prepaid expenses	4	0	0	0	0	0	4
Total assets	**6 157**	**6 383**	**3 386**	**522**	**566**	**559**	**17 573**
Liabilities							
Borrowings	4 392	6 979	3 774	982	566	491	17 184
Derivative financial instruments	1 753	-597	-389	-460	0	68	376
Reserve for available-for-sale financial instruments	12	1	0	0	0	0	13
Total liabilities	**6 158**	**6 383**	**3 385**	**522**	**566**	**559**	**17 573**
Net currency position	**0**	**0**	**0**	**0**	**0**	**0**	**1**

Amounts presented for derivative financial instruments are the market values of individual legs in each of the respective currencies.

3.4. Liquidity risk

Liquidity risk is the risk that the entity is unable to meet, from available funds, all payment obligations as they fall due, or will have access to such funds only at disproportionate cost.

The main objective of liquidity management is to make sure that EUROFIMA can meet its payment obligations punctually and in full. The planning of liquidity takes into account all known future cash flows, especially the need to service debts, disbursements and repayments from equipment financing contracts as well as cash flows from derivative financial instruments. The projected liquidity position is reported and monitored daily.

The tables below show the undiscounted contractual cash flows of the entity's financial assets and liabilities. The entity's derivatives are generally gross settled instruments. Therefore, the entity shows the contractual cash in and outflows of these gross settled derivatives on a gross basis.

For floating rate instruments, the entity used the implied forward rates at the balance sheet date to calculate the future cash flows.

Maturity analysis
December 31, 2015

(amounts in CHF million)	0-6 months	6-12 months	1-2 years	2-3 years	3-5 years	5-10 years	more than 10 years	Total	Difference to book value	Book value
Assets										
Liquid assets	2 310	217	227	372	326	517	23	3 992	-76	3 916
Equipment financing contracts	1 348	894	1 265	1 613	3 720	4 275	2 995	16 110	-602	15 508
Other financial assets	8	8	11	10	19	18	2	77	-68	9
Total	**3 666**	**1 120**	**1 503**	**1 996**	**4 065**	**4 810**	**3 020**	**20 179**	**-746**	**19 433**
Liabilities										
Borrowings	-3 188	-1 128	-2 262	-2 267	-5 053	-4 531	-2 497	-20 925	762	-20 164
Other financial liabilities	-13	0	0	0	0	0	0	-13	0	-13
Total	**-3 201**	**-1 128**	**-2 262**	**-2 267**	**-5 053**	**-4 531**	**-2 497**	**-20 938**	**762**	**-20 177**
Cash flows from gross settled derivative assets										
Contractual amounts receivable	4 021	725	2 397	1 945	4 558	2 818	1 922	18 387		
Contractual amounts payable	-3 413	-509	-1 745	-1 455	-3 832	-2 335	-1 486	-14 775		
	608	**216**	**652**	**491**	**727**	**483**	**436**	**3 613**	**-252**	**3 361**
Cash flows from gross settled derivative liabilities										
Contractual amounts receivable	790	584	668	555	1 116	1 186	118	5 017		
Contractual amounts payable	-792	-549	-735	-499	-1 122	-1 385	-1 066	-6 148		
	-1	**35**	**-67**	**56**	**-6**	**-199**	**-948**	**-1 131**	**107**	**-1 023**
Net during the period	1 071	243	-175	275	-267	564	12	**1 723**		
Cumulative net during the period	**1 071**	**1 315**	**1 140**	**1 415**	**1 148**	**1 712**	**1 723**			

Maturity analysis
December 31, 2014

(amounts in CHF million)	0-6 months	6-12 months	1-2 years	2-3 years	3-5 years	5-10 years	more than 10 years	Total	Difference to book value	Book value
Assets										
Liquid assets	2 507	518	291	139	455	468	24	4 401	-97	4 305
Equipment financing contracts	1 594	620	2 511	1 380	3 341	6 174	3 605	19 224	-949	18 275
Other financial assets	7	9	12	11	19	23	4	84	-76	8
Total	**4 107**	**1 146**	**2 814**	**1 530**	**3 814**	**6 665**	**3 632**	**23 709**	**-1 122**	**22 587**
Liabilities										
Borrowings	-3 716	-852	-4 007	-2 295	-4 296	-6 483	-2 880	-24 529	1 229	-23 300
Other financial liabilities	-13	0	0	0	0	0	0	-13	0	-13
Total	**-3 729**	**-852**	**-4 007**	**-2 295**	**-4 296**	**-6 483**	**-2 880**	**-24 542**	**1 229**	**-23 313**
Cash flows from gross settled derivative assets										
Contractual amounts receivable	3 837	446	3 332	2 414	3 768	4 101	2 251	20 150		
Contractual amounts payable	-3 126	-245	-2 731	-1 893	-2 897	-3 403	-1 880	-16 175		
	712	**201**	**601**	**521**	**871**	**698**	**371**	**3 975**	**-482**	**3 493**
Cash flows from gross settled derivative liabilities										
Contractual amounts receivable	898	274	2 201	684	753	1 601	385	6 797		
Contractual amounts payable	-794	-247	-2 243	-751	-778	-1 962	-1 525	-8 300		
	104	**27**	**-42**	**-67**	**-25**	**-360**	**-1 139**	**-1 503**	**317**	**-1 186**
Net during the period	1 194	522	-633	-311	365	519	-16	**1 639**		
Cumulative net during the period	**1 194**	**1 715**	**1 082**	**771**	**1 136**	**1 655**	**1 639**			

EUROFIMA maintains a pool of liquidity and spreads the maturities of its placements taking into account the forecasted liquidity needs. The pool of liquidity is invested in highly rated debt instruments and placements with credit institutions.

As at year-end 2015, a committed CHF 300 million repo line was in place with a bank rated AAA/Aaa. Under this repo line, EUROFIMA may borrow money by selling specified securities and simultaneously agreeing to buy them back at a later time.

EUROFIMA strives to secure a level of net liquidity that meets its liquidity targets for a period of 12 months under stressed economic conditions. To compute such liquidity targets, a default probability of 100% is applied to assets below the long-term rating A- or A3 according to Standard and Poor's or Moody's respectively. Furthermore, EUROFIMA is assumed to have no access to the financial markets for the same period of time (together called "stressed economic conditions"). In addition, a haircut to the liquid assets is applied and reviewed on a regular basis.

3.5. Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events.

EUROFIMA continuously identifies, assesses, and manages operational risk in order to minimize potential adverse impacts. The key operational risk management principles are laid out in the operational policies and guidelines. They comprise of, among other things, the internal control system, the limit system, the IT management policy, the public communication policy and the security directives. EUROFIMA's systems of internal control, checks and balances, segregation of duties and supervision are designed to cover the most significant aspects of operational risk. Emphasis is placed on the continuous upgrading of information systems, business continuity planning, and the cross-training and development of staff.

3.6. Capital Management

As a supranational institution, EUROFIMA is not subject to regulatory capital requirements. However, the adequacy of the capital base is assessed and monitored monthly and reported to the Board of Directors quarterly.

The Basel III capital ratio is one of the tools used to estimate the capital requirements for each major risk. The Standardized Approach is adopted to calculate the capital requirement for the credit risk. The Standardized Measurement Method is used to calculate the capital requirement for market risk and the Basic Indicator Approach is adopted to estimate the operational risk charge.

One specific element of EUROFIMA's credit backing system also taken into account in the assessment of the capital base is the subsidiary shareholder guarantee.

The most important ratios that are monitored by the Management and reported to the Board of Directors with respect to the entity's capital are the following:

(ratios in %)	**December 31, 2015**	**December 31, 2014**
(Sound share capital [1] + shareholder guarantee AAA/Aaa and AA/Aa) / Outstanding borrowings	24.8 / 24.6	21.4 / 21.2
Non-investment grade exposure from equipment financing contracts/Equity	63.5	113.6
Estimated Basel III ratio	30.6	23.0

[1] Equity and callable share capital AAA/AA and Aaa/Aa

4. NET INTEREST INCOME

Net interest income

(amounts in CHF '000)	**2015**	**2014**
Cash and cash equivalents	0	1 731
Financial investments	19 012	25 078
Placements with credit institutions	-30	840
Debt securities	19 042	24 238
Equipment financing contracts	245 009	348 997
Derivative financial instruments	520 445	582 780
Other interest income	0	556
Total interest and similar income	**784 466**	**959 143**
Cash and cash equivalents	-524	0
Amounts due to credit institutions and customers	-44 975	-50 807
Debt evidenced by certificates	-597 662	-732 657
Debt securities in issue	-574 254	-682 775
Others	-23 408	-49 882
Derivative financial instruments	-119 686	-149 871
Other interest expenses	-27	-721
Total interest and similar expenses	**-762 874**	**-934 056**
Net interest income	**21 591**	**25 087**

Net interest income presented per financial instrument category

(amounts in CHF '000)	**2015**	**2014**
Derivatives	400 758	432 909
Assets designated at fair value through profit or loss	232 459	337 454
Available-for-sale	12 567	17 441
Loans and receivables	12 343	13 940
Held-to-maturity	6 177	6 586
Liabilities designated at fair value through profit or loss	-631 919	-771 138
Financial liabilities at amortised cost	-10 719	-12 017
	21 666	**25 175**
Other interest income	126	282
Other interest expenses	-201	-371
Net interest income	**21 591**	**25 087**

5. NET COMMISSION INCOME

(amounts in CHF '000)	2015	2014
Commission on equipment financing contracts - designated at fair value through profit or loss	11 433	13 326
Commission on equipment financial contracts - loans and receivables	1 064	1 188
Commission expenses and fees paid	-1 324	-1 300
Net commission income	**11 173**	**13 214**

6. NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS

(amounts in CHF '000)	2015	2014
Gains/(losses) on the sale of available-for-sale financial assets	4 313	4 041
Gains/(losses) on derivative financial instruments	-94 218	219 833
Gains/(losses) on financial assets designated as at fair value through profit or loss	-150 207	333 029
Gains/(losses) on financial liabilities designated as at fair value through profit or loss	241 352	-553 981
Net gains/(losses) on financial instruments	**1 240**	**2 922**

7. GENERAL ADMINISTRATIVE EXPENSES

(amounts in CHF '000)	2015	2014
Personnel costs	-4 172	-4 340
Social security expenses	-328	-406
Defined benefit pension plan income/(costs)	2 086	-610
Office premises costs	-206	-112
Other general administrative expenses	-1 954	-2 106
Cost coverage, rental and other administrative income	11	11
Total general administrative expenses	**-4 564**	**-7 563**

The item "Other general administrative expenses" includes in its majority IT related expenses, legal counsel fees, representation expenses and independent auditors fees.
The entity realized a past service gain in 2015, which is presented under Past service cost. Also refer to note 15.

Auditing and additional fees

The external auditor charged the following fees for professional services rendered for the financial year:

(amounts in CHF '000)	2015	2014
Audit services	-184	-193
Audit-related services	-9	-38
Total	**-193**	**-231**

Audit services are defined as the standard audit work performed each year in order to issue an opinion on the entity's financial statements.

Audit-Related Services include those other assurance services provided by the independent auditor but not restricted to those that can only be provided by the auditor signing the audit report. They comprise amounts for services such as audits of IT infrastructure and consultation regarding new accounting pronouncements.

EUROFIMA Annual Report 2015

8. LIQUID ASSETS

The portfolio of liquid assets is composed of and measured as follows:

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Cash at banks	66 392	46 541
Placement with credit institutions	486 604	536 616
Debt securities - bonds	2 413 603	2 562 274
Other liquid assets	949 448	1 159 252
Total liquid assets	**3 916 046**	**4 304 683**
of which		
Cash and cash equivalents at fair value	425 825	1 049 248
Cash and cash equivalents at amortised cost	590 014	156 545
Total cash and cash equivalents	**1 015 839**	**1 205 793**
Financial investments at fair value	2 026 689	2 588 673
Financial investments at amortised cost	873 518	510 217
Total financial investments	**2 900 206**	**3 098 890**

Credit rating structure of liquid assets

Below, the liquid assets are shown with their long-term rating (amounts in CHF '000). If a specific rating is not available, the issuer, guarantor or obligor rating is applied, whichever is stronger.

EUROFIMA groups the Standard & Poor's ratings as follows: AAA, AA for ratings from AA+ to AA-, A for ratings from A+ to A-, BBB for ratings from BBB+ to BBB-, and <BBB for ratings below BBB-.

EUROFIMA groups the Moody's ratings as follows: Aaa, Aa for ratings from Aa1 to Aa3, A for ratings from A1 to A3, Baa for ratings from Baa1 to Baa3, and <Baa for ratings below Baa3.

Cash at banks

Standard & Poor's	December 31, 2015	December 31, 2014
AAA	0	0
AA	964	1 090
A	65 185	45 433
BBB	243	18
<BBB	0	0
N.R.	0	0
Total	**66 392**	**46 541**

Moody's	December 31, 2015	December 31, 2014
Aaa	0	6
Aa	0	0
A	65 179	45 433
Baa	243	18
<Baa	0	0
N.R.	970	1 084
Total	**66 392**	**46 541**

Placement with credit institutions

Standard & Poor's	December 31, 2015	December 31, 2014
AAA	150 043	100 062
AA	64 240	247 931
A	180 408	188 623
BBB	0	0
<BBB	0	0
N.R.	91 914	0
Total	**486 604**	**536 616**

Moody's	December 31, 2015	December 31, 2014
Aaa	100 042	188 795
Aa	94 586	64 685
A	11 962	183 094
Baa	0	0
<Baa	0	0
N.R.	280 014	100 042
Total	**486 604**	**536 616**

Debt securities - bonds

Standard & Poor's	December 31, 2015	December 31, 2014
AAA	887 931	823 440
AA	645 759	1 434 244
A	633 459	118 022
BBB	20 943	0
<BBB	0	0
N.R.	225 510	186 568
Total	**2 413 603**	**2 562 274**

Moody's	December 31, 2015	December 31, 2014
Aaa	1 079 819	1 469 344
Aa	505 972	464 494
A	671 264	583 931
Baa	71 844	18 043
<Baa	0	0
N.R.	84 702	26 462
Total	**2 413 603**	**2 562 274**

Other liquid assets

Standard & Poor's	December 31, 2015	December 31, 2014
AAA	0	50 004
AA	207 374	240 602
A	528 187	703 902
BBB	0	0
<BBB	0	0
N.R.	213 886	164 744
Total	**949 448**	**1 159 252**

Moody's	December 31, 2015	December 31, 2014
Aaa	0	0
Aa	147 909	304 116
A	465 265	755 127
Baa	0	0
<Baa	0	0
N.R.	336 274	100 009
Total	**949 448**	**1 159 252**

Other liquid assets mainly comprise short-term deposits and commercial paper investments.

Liquid assets neither rated by Standard & Poor's nor Moody's

	December 31, 2015	December 31, 2014
Cash at banks	0	0
Placement with credit institutions	79 951	0
Debt securities - bonds	10 159	15 220
Debt securities - other	0	0
Other liquid assets	123 528	0
Total	**213 639**	**15 220**

As at December 31, 2015, liquid assets neither rated by Standard & Poor's nor Moody's consisted of fixed income instruments issued by Swiss cantons and cities.

9. EQUIPMENT FINANCING CONTRACTS

Equipment financing contracts were concluded exclusively with shareholders and their guaranteed affiliates.

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Equipment financing contracts at fair value	15 061 555	17 781 299
Equipment financing contracts at amortized cost	446 474	493 382
Total equipment financing contracts	**15 508 029**	**18 274 681**

Credit rating structure of equipment financing contracts

The equipment financing contracts are shown with the long-term rating of the respective member State (amounts in CHF '000).

EUROFIMA groups the Standard & Poor's ratings as follows: AAA, AA for ratings from AA+ to AA-, A for ratings from A+ to A-, BBB for ratings from BBB+ to BBB-, and <BBB for ratings below BBB-.

EUROFIMA groups the Moody's ratings as follows: Aaa, Aa for ratings from Aa1 to Aa3, A for ratings from A1 to A3, Baa for ratings from Baa1 to Baa3, and <Baa for ratings below Baa3.

Standard & Poor's	December 31, 2015	December 31, 2014
AAA	3 547 344	2 950 854
AA	5 731 356	7 271 097
A	172 315	259 214
BBB	5 043 138	6 114 674
<BBB	1 013 875	1 678 841
N.R.	0	0
Total	**15 508 029**	**18 274 681**

Moody's	December 31, 2015	December 31, 2014
Aaa	5 616 353	5 945 267
Aa	3 597 145	4 150 451
A	124 822	228 302
Baa	5 177 556	6 150 722
<Baa	992 152	1 799 939
N.R.	0	0
Total	**15 508 029**	**18 274 681**

Distribution of equipment financing contracts

(amounts in CHF '000)						Principal at December 31, 2015	
Member State	Railway	Principal at January 1, 2015	Exchange rate difference	Financing	Redemptions	CHF	%
Germany [1]	DB AG [1]	240 471	-23 068	0	0	217 403	1.5%
France [1]	SNCF [1]	1 050 914	-73 655	13 655	-91 723	899 191	6.3%
Italy	FS	3 369 325	-321 752	0	-263 600	2 783 973	19.6%
Belgium	SNCB	2 302 226	-160 259	185 923	-328 351	1 999 539	14.1%
Netherlands	NS	558 046	-46 298	231	0	511 979	3.6%
Spain	RENFE	2 567 394	-248 674	0	-182 898	2 135 823	15.0%
Switzerland	SBB	2 175 479	-4 321	346 617	-114 626	2 403 148	16.9%
Serbia	ŽS	98 012	-578	0	-25 434	72 000	0.5%
Luxembourg	CFL	170 546	-14 778	347 852	-416 658	86 961	0.6%
Austria	ÖBB	2 228 630	-203 859	13 991	-122 955	1 915 807	13.5%
Portugal	CP	461 585	-47 792	0	-60 513	353 280	2.5%
Greece	OSE	739 449	-76 509	0	-320 530	342 410 [2]	2.4%
Czech Republic	ČD	126 247	-12 947	0	-48 079	65 221	0.5%
Hungary	MÁV	175 366	-19 159	0	-61 202	95 005	0.7%
Slovakia	ŽSSK	101 847	-10 328	0	-32 053	59 467	0.4%
Croatia	HŽ	57 323	-4 668	0	-10 479	42 175 [3]	0.3%
Slovenia	SŽ	157 305	-8 535	0	-36 039	112 731	0.8%
Bulgaria	BDZ	36 071	-3 861	17 588	-28 058	21 740	0.2%
Montenegro	ŽPCG	20 500	0	0	-3 500	17 000 [4]	0.1%
Denmark	DSB	72 217	-7 033	0	-4 107	61 077	0.4%
Total principal		**16 708 955**	**-1 288 074**	**925 856**	**-2 150 806**	**14 195 931**	**100.0%**
Difference to book value		1 565 726				1 312 098	
Total book value		**18 274 681**				**15 508 029**	

(1) Germany and France hold 22.6% of EUROFIMA's share capital each through their fully owned state railways DB AG and SNCF and are thus related parties together with their railways.
(2) All of which assumed by Greece.
(3) CHF 15 million of which assumed by Croatia.
(4) All of which assumed by Montenegro.

10. DERIVATIVE FINANCIAL INSTRUMENTS

	December 31, 2015			December 31, 2014		
(amounts in CHF '000)	Assets	Liabilities	Notional amount	Assets	Liabilities	Notional amount
Cross currency swaps	2 895 497	-876 131	13 715 699	2 898 168	-1 000 228	15 967 958
Interest rate swaps	440 205	-134 658	5 685 114	566 124	-182 687	5 576 094
Currency swaps	25 227	-12 561	1 058 453	29 152	-3 069	1 640 933
Forward foreign exchange	37	-79	33 656	1	0	895
Total	**3 360 965**	**-1 023 429**	**20 492 921**	**3 493 445**	**-1 185 984**	**23 185 881**

Derivative financial instruments are carried at fair value net per contract.

In accordance with its risk management policy, EUROFIMA uses derivatives for risk mitigation purposes only. It does not apply hedge accounting. Where hedged positions are not valued at fair value, the "fair value option" is applied to accurately reflect the effects from the economic hedging performed by the entity in the income statement.

Derivatives most commonly used by the entity are:

Swaps
Swaps are contractual agreements between two parties to exchange streams of payments over time based on specified notional amounts, in relation to movements in a specified underlying index such as an interest rate and foreign currency rate.

Forward contracts
Forward contracts are contractual agreements to buy or sell a specified financial instrument, currency or interest rate at a specific price and date in the future. Forwards are customized contracts transacted over–the–counter.

11. OFFSETTING

The entity offsets amounts in the balance sheet when a legal right of offset exists and the parties involved intend to settle the cash flows on a net basis or settle the asset and liability simultaneously. Under some contracts, the entity has only a conditional right of set-off, for example in the case of a default of a counterparty. Even though such contractual arrangements limit the credit risk to the entity, amounts that can only be netted conditionally are not offset in the balance sheet.

The table below shows the collateral held and conditional netting for different positions

	December 31, 2015			December 31, 2014		
(amounts in CHF '000)	Derivative financial assets	Derivative financial liabilities	Liquid assets	Derivative financial assets	Derivative financial liabilities	Liquid assets
Amount presented in the balance sheet	3 360 965	-1 023 429	3 916 046	3 493 445	-1 185 984	4 304 683
Value of derivatives to be offset in case of default of a counterparty	379 473	-379 473	0	486 885	-486 885	0
Securities held as collateral	2 347 492	0	0	2 181 861	0	314 000
Net amount	**634 000**	**-643 956**	**3 916 046**	**824 698**	**-699 099**	**3 990 683**

Securities held as collateral for liquid assets concern tri-party reverse repurchase agreements.

12. ACCRUED INCOME AND PREPAID EXPENSES

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Commissions on equipment financing contracts	4 328	5 063
Total accrued income and prepaid expenses	**4 328**	**5 063**

13. TANGIBLE AND INTANGIBLE FIXED ASSETS

(amounts in CHF '000)	Land and building	Hardware, vehicles and other equipment	Software and licenses	Total
January 1, 2014				
Cost	7 250	188	3 557	10 996
Accumulated depreciation/amortization	-572	-123	-1 050	-1 745
Net book value	**6 678**	**65**	**2 507**	**9 250**
At January 1, 2014	**6 678**	**65**	**2 507**	**9 250**
Additions	0	24	20	44
Disposals	0	-63	0	-63
Depreciation/amortization	-139	-2	-711	-853
December 31, 2014	**6 538**	**24**	**1 815**	**8 378**
At December 31, 2014				
Cost	7 250	147	3 577	10 974
Accumulated depreciation/amortization	-712	-122	-1 762	-2 596
Net book value	**6 538**	**24**	**1 815**	**8 378**
At January 1, 2015	**6 538**	**24**	**1 815**	**8 378**
Additions	0	143	35	178
Disposals	0	0	0	0
Depreciation/amortization	-139	-56	-727	-922
December 31, 2015	**6 399**	**112**	**1 123**	**7 634**
At December 31, 2015				
Cost	7 250	290	3 612	11 152
Accumulated depreciation/amortization	-851	-178	-2 489	-3 518
Net book value	**6 399**	**112**	**1 123**	**7 634**

Land and buildings of the entity comprise the “Ritterhof” at Rittergasse 20 in Basel.

14. BORROWINGS

EUROFIMA’s borrowings comprise of the following

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Amounts due to credit institutions and customers	1 391 457	1 431 448
Debt evidenced by certificates	18 772 114	21 868 597
Debt securities in issue	17 551 933	20 312 058
Others	1 220 181	1 556 539
Total borrowings	**20 163 571**	**23 300 045**

Borrowings per financial instrument category

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Borrowings at fair value through profit or loss	19 765 103	22 855 109
Borrowings at amortised cost	398 467	444 935
Total borrowings	**20 163 571**	**23 300 045**

The entity’s borrowings are not subject to any financial covenants.

Maturity structure of borrowings

(amounts in CHF '000)	December 31, 2015	December 31, 2014
0-6 months	2 898 909	3 292 411
6-12 months	852 610	510 003
1-2 years	1 771 866	3 349 304
2-3 years	1 827 802	1 774 109
3-5 years	4 423 201	3 476 647
5-10 years	3 796 679	5 572 614
More than 10 years	2 241 011	2 558 405
Total principal	**17 812 078**	**20 533 494**
Total borrowings principal	17 812 078	20 533 494
Difference to book value	2 351 493	2 766 551
Total borrowings	**20 163 571**	**23 300 045**

The maturity structure is based on the contractual settlement dates of the borrowings.

Debt securities in issue - listed bonds

Maturity	Interest rate in %	Year of issuance	December 31, 2015 Principal in issue currency '000	December 31, 2015 Book value in CHF '000	December 31, 2014 Principal in issue currency '000	December 31, 2014 Book value in CHF '000
AUD						
29.07.2015	5.625	2005	0	0	225 000	189 742
24.10.2016	5.625	2005	1 100 000	834 186	1 100 000	951 609
28.12.2018	6.250	2003	1 650 000	1 346 246	1 650 000	1 524 114
29.01.2019	4.000	2014	250 000	195 242	250 000	217 147
30.06.2020	5.500	2005	750 000	617 189	750 000	694 243
30.03.2022	6.000	2007	200 000	175 727	200 000	197 312
19.12.2025	3.900	2015	320 000	250 753	0	0
CAD						
13.12.2019	5.150	2004	250 000	209 771	250 000	248 586
30.03.2027	4.550	2007	300 000	275 524	300 000	317 235
CHF						
19.06.2015	2.750	2003	0	0	565 000	580 718
15.06.2016	2.250	2005	350 000	359 098	350 000	366 498
10.11.2017	2.125	2009	270 000	285 000	270 000	288 163
28.12.2018	3.250	2003	450 000	502 414	450 000	509 471
03.08.2020	2.375	2005	595 000	649 850	595 000	649 113
29.12.2020	3.375	2004	365 000	433 426	365 000	435 845
30.06.2021	0.625	2014	280 000	294 558	280 000	288 851
22.05.2024	3.000	2007	600 000	758 291	600 000	752 729
15.05.2026	3.000	2006	1 000 000	1 301 856	1 000 000	1 286 229
04.02.2030	2.875	2005	450 000	609 169	450 000	597 212
EUR						
03.11.2015	10.680	2002	0	0	120 202	159 781
23.12.2015	FRN	2011	0	0	125 000	150 576
12.09.2018	FRN	2013	30 000	32 666	30 000	36 160
05.11.2018	FRN	2010	32 500	35 610	32 500	39 494
21.10.2019	4.375	2004	650 000	825 654	650 000	938 422
28.11.2019	2.730	2011	6 800	7 446	6 800	8 245
23.11.2020	3.000	2010	40 000	49 306	40 000	55 445
27.10.2021	4.000	2009	1 000 000	1 317 652	1 000 000	1 492 958
15.11.2022	3.125	2010	800 000	1 021 882	800 000	1 152 128
28.06.2023	2.050	2013	15 000	18 111	15 000	20 283
28.07.2023	3.250	2010	50 000	65 425	50 000	73 893
15.10.2030	FRN	2015	80 000	88 731	0	0
GBP						
07.06.2032	5.500	2001	150 000	330 175	150 000	354 112
USD						
06.03.2015	4.500	2005	0	0	1 000 000	1 038 163
27.03.2015	FRN	2012	0	0	1 000 000	994 507
07.04.2016	5.250	2006	1 000 000	1 052 609	1 000 000	1 090 742
10.06.2016	FRN	2013	1 000 000	1 002 345	1 000 000	995 410
03.04.2017	5.000	2007	1 000 000	1 089 303	1 000 000	1 118 786
13.04.2017	FRN	2014	500 000	501 776	500 000	498 135
29.05.2020	1.750	2015	1 000 000	1 014 940	0	0
Total listed bonds				**17 551 933**		**20 312 058**

Debt evidenced by certificates - Other

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Unlisted stand-alone issues	335 535	400 237
Unlisted issues under the Programme for the Issuance of Debt Instruments	414 823	630 373
Commercial paper	469 823	525 929
Total other debts evidenced by certificates	**1 220 181**	**1 556 539**

15. POST-EMPLOYMENT BENEFIT LIABILITY

EUROFIMA participates in a group administration defined contribution pension plan in Switzerland. This plan qualifies as a defined benefit plan under IFRS. The entity has a full insurance coverage solution with a Swiss insurer. The insurance coverage is not taken into account in the below computations.

The amount recognized in the balance sheet for this defined contribution pension plan is determined as follows:

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Present value of funded obligations	11 207	13 128
Fair value of plan assets	-7 813	-8 375
Liability recognized on the balance sheet	**3 394**	**4 753**

The movement in the net defined benefit obligation over the year is as follows:

(amounts in CHF '000)	Present value of funded obligation	Fair value of plan assets	Total
As at January 1, 2014	**14 839**	**-10 957**	**3 882**
Service cost for the year 2014	610	0	610
Interest expense/(income)	334	-247	87
	15 783	**-11 203**	**4 580**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	0	151	151
Experience (gains)/losses	-669	0	-669
(gain)/loss from change in demographic assumptions	0	0	0
(gain)/loss from change in financial assumptions	1 601	0	1 601
	932	**151**	**1 084**
Past service costs and settlements			
Contributions by:			
Employer	0	-861	-861
Participants	760	-760	0
Benefit payments	-4 348	4 298	-50
As at December 31, 2014	**13 128**	**-8 375**	**4 753**

(amounts in CHF '000)	Present value of funded obligation	Fair value of plan assets	Total
As at January 1, 2015	**13 128**	**-8 375**	**4 753**
Service cost for the year 2015	648	0	648
Interest expense/(income)	197	-126	71
	13 972	**-8 501**	**5 472**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense/(income)	0	184	184
Experience (gains)/losses	684	0	684
(gain)/loss from change in demographic assumptions	0	0	0
(gain)/loss from change in financial assumptions	915	0	915
	1 600	**184**	**1 784**
Past service costs and settlements			
Contributions by:			
Employer	0	-1 079	-1 079
Participants	8 989	-8 989	0
Benefit payments	-10 621	10 571	-50
Past service cost	-2 733	0	-2 733
As at December 31, 2015	**11 207**	**-7 813**	**3 394**

The past service gain is resulting from the introduction of a new defined contribution pension plan in 2015 as a replacement of the existing plan.

Allocation of plan assets

Plan assets are comprised of the following:

(in %)	December 31, 2015	December 31, 2014
Fixed interest, cash and cash equivalents, time deposits	77.1%	78.3%
Mortgages and other claims on nominal value	6.4%	6.9%
Equities and units in investment funds	2.5%	1.0%
Private equity and hedge funds	0.1%	0.1%
Investment in participations and associated companies	0.5%	0.6%
Real estate	12.1%	12.0%
Other investments	1.4%	1.0%
Total	**100.0%**	**100.0%**

Significant assumptions

Significant assumptions applied in the calculation of the defined benefit liability:

	December 31, 2015	December 31, 2014
Discount rate	0.9%	1.5%
Pension growth rate	0.0%	0.0%
Salary growth rate (including inflation)	2.0%	2.0%
Retirement age		
men	65	65
women	64	64
Demographic assumptions	bvg 2010 GT	bvg 2010 GT

Sensitivity analysis

The sensitivity of the liability recognized for the post-employment benefit plan to changes in the principal assumptions is depicted in the table below. The present value of funded obligations and service cost are recalculated to include the effect from the changed assumption:

		December 31, 2015		December 31, 2014	
(amounts in CHF '000)	Change in assumption	Recalculated Present value of funded obligations	Recalculated service cost	Recalculated Present value of funded obligations	Recalculated service cost
Discount rate	+ 50 basis points	**10 221**	**1 068**	11 980	770
	- 50 basis points	**12 345**	**1 303**	14 448	931
Salary increase	+ 50 basis points	**11 315**	**1 205**	13 450	880
	- 50 basis points	**11 100**	**1 149**	12 669	823
Life expectancy	+ 1 year	**11 399**	**1 192**	13 320	864
	- 1 year	**11 017**	**1 161**	12 820	841

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position.

Other information

The expected contribution to the post-employment benefit plan to be paid by EUROFIMA for the year ending December 31, 2016, amounts to CHF 671 000.

The projected benefits that are expected to be paid for the following years are as follows:

(amounts in CHF '000)	December 31, 2015
2016	543
2017	502
2018	457
2019	422
2020	396
2021-2025	2 812

The weighted average duration of the defined benefit obligation is 19 years.

16. EQUITY

Statstatutory reserves & fund for general risk

(amounts in CHF '000)	December 31, 2015	December 31, 2014
Ordinary reserve	76 284	74 640
Guarantee reserve	673 500	647 000
Total statutory reserves	**749 784**	**721 640**

According to Article 29 of the Statutes, 5% of the annual profit is to be allocated to the ordinary reserve until the ordinary reserve has reached 20% of the paid-in share capital.

In the event of a default by a railway, the guarantee reserve, as outlined in Article 29 of the Statutes, may be called upon. According to this article, the yearly allocation to the guarantee reserve corresponds to the balance of the annual profit, after allocation to the ordinary reserve of 5% of the net profit and the eventual payment of a dividend, statutorily limited to a maximum of 4% of the paid-in share capital, unless the General Assembly decides otherwise.

Other reserves

The other reserves contain the reserve for available-for-sale financial instruments and the reserve for remeasurements on the entity's defined benefit pension plan.

Reserve for available-for-sale financial instruments

(amounts in CHF '000)	
January 1, 2014	**12 296**
Changes in fair value	11 190
Reclassification to income statement	-4 041
December 31, 2014	**19 445**
Changes in fair value	-9 994
Reclassification to income statement	-4 313
December 31, 2015	**5 138**

Reserve for remeasurements of the post-employment benefit liability

(amounts in CHF '000)	
January 1, 2014	**189**
Actuarial gains & losses	-932
Return on plan assets	-151
December 31, 2014	**-895**
Actuarial gains & losses	-1 600
Return on plan assets	-184
December 31, 2015	**-2 679**

17. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

The table below shows the allocation of the entity's financial instruments to the different financial instrument categories and to the different fair value levels. Furthermore, the fair value for all instruments is disclosed, including those measured at amortized cost.

The three-level hierarchy used for financial instruments measured at fair value is the following:
Level 1: quoted prices in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: inputs for the asset or liability that are not based on observable market data

	Financial instrument categories						Carrying amount December 31, 2015	Fair value December 31, 2015	Fair value level		
(amounts in CHF million)	DFVPL	FVPL	AFS	HTM	LaR	FLAC			Level 1	Level 2	Level 3
Financial assets											
CCE at amortized cost	0	0	0	0	590	0	590	591	0	591	0
CCE at fair value	426	0	0	0	0	0	426	426	0	426	0
Financial investments at amortized cost	0	0	0	400	473	0	874	895	532	351	12
Financial investments at fair value	988	0	1 038	0	0	0	2 027	2 027	1 265	762	0
Derivative financial instruments - assets	0	3 361	0	0	0	0	3 361	3 361	0	3 361	0
EFC contracts at amortized cost	0	0	0	0	446	0	446	497	0	497	0
EFC contracts at fair value	15 062	0	0	0	0	0	15 062	15 062	0	15 062	0
Other financial assets	4	0	0	0	5	0	9	9	0	9	0
Total assets							**22 794**	**22 867**	**1 797**	**21 058**	**12**
Financial liabilities											
Borrowings at amortized cost	0	0	0	0	0	398	398	444	0	444	0
Borrowings at fair value	19 765	0	0	0	0	0	19 765	19 765	0	19 765	0
Derivative financial instruments - liabilities	0	1 023	0	0	0	0	1 023	1 023	0	1 023	0
Other financial liabilities	0	0	0	0	0	13	13	13	0	13	0
Total liabilities							**21 200**	**21 245**	**0**	**21 245**	**0**

(amounts in CHF million)	Financial instrument categories						Carrying amount December 31, 2014	Fair value December 31, 2014	Fair value level		
	DFVPL	FVPL	AFS	HTM	LaR	FLAC			Level 1	Level 2	Level 3
Financial assets											
CCE at amortized cost	0	0	0	0	157	0	157	157	0	157	0
CCE at fair value	1 049	0	0	0	0	0	1 049	1 049	0	1 049	0
Financial investments at amortized cost	0	0	0	392	118	0	510	532	0	518	14
Financial investments at fair value	1 241	0	1 348	0	0	0	2 589	2 589	1 636	953	0
Derivative financial instruments - assets	0	3 493	0	0	0	0	3 493	3 493	0	3 493	0
EFC contracts at amortized cost	0	0	0	0	493	0	493	551	0	551	0
EFC contracts at fair value	17 781	0	0	0	0	0	17 781	17 781	0	17 781	0
Other financial assets	5	0	0	0	3	0	8	8	0	8	0
Total assets							**26 081**	**26 160**	**1 636**	**24 510**	**14**
Financial liabilities											
Borrowings at amortized cost	0	0	0	0	0	445	445	497	0	497	0
Borrowings at fair value	22 855	0	0	0	0	0	22 855	22 855	0	22 855	0
Derivative financial instruments - liabilities	0	1 186	0	0	0	0	1 186	1 186	0	1 186	0
Other financial liabilities	0	0	0	0	0	13	13	13	0	13	0
Total liabilities							**24 499**	**24 551**	**0**	**24 551**	**0**

There were no transfers between any of the levels of the fair value hierarchy during the year 2015 (2014: none)

DFVPL Financial instruments designated as at fair value through profit or loss by the company
FVPL Held for Trading: Fair value through profit or loss
AFS Available-for-sale
HTM Held-to-maturity
LaR Loans and receivables
FLAC Financial liabilities at amortized cost

Financial assets and liabilities designated at fair value through profit or loss

Financial assets designated at fair value through profit or loss
The carrying amount at December 31, 2015, of financial assets designated at fair value through profit or loss was CHF 1 066 million higher (2014: CHF 1 319 million higher) than the contractual amount at maturity. The change in fair value of financial assets designated at fair value through profit or loss that is attributable to changes in credit risk for the year 2015 amounts to CHF 97 million gain (2014: CHF 74 million loss).

Financial liabilities designated at fair value through profit or loss
The carrying amount at December 31, 2015, of financial liabilities designated at fair value through profit or loss was CHF 2 088 million higher (2014: CHF 2 503 million higher) than the contractual amount at maturity. The change in fair value in financial liabilities designated at fair value through profit or loss that is attributable to changes in credit risk for the year 2015 amounts to CHF 46 million loss (2014: CHF 132 million gain).

18. RELATED PARTIES

Transactions and outstanding balances with related party shareholders (DB AG and SNCF) are disclosed in Note 9 Equipment financing contracts.

Salaries and other benefits paid to key management personnel in 2015 are included within General administrative expenses amounted to CHF 2.9 million (2014: CHF 3.2 million).

There are no outstanding amounts due to key management personnel per year-end 2015 (2014: none).

19. POST BALANCE SHEET EVENTS

On proposal from the Management, the Board of Directors adopted the Financial Statements on March 18, 2016, and authorized their submission to the General Assembly for approval on the same date. The General Assembly approved the financial statements.

20. PROPOSED APPROPRIATION OF THE SURPLUS

With last year's unappropriated surplus of CHF 469 769 carried forward and the net profit for the financial year 2015 of CHF 28 669 884, the surplus to be distributed is CHF 29 139 653. In accordance with Article 29 of the Statutes, the Board of Directors proposes the following allocation of the surplus to the General Assembly:

	CHF
Appropriation to the ordinary reserve	1 434 000
Dividend of 0% (statutory maximum is 4%) on the paid-in share capital of 520 million	0
Appropriation to the guarantee reserve	23 000 000
Appropriation to the fund for general risks	4 705 653

Auditor's Report

Report of the Statutory Auditor
to the General Assembly of
EUROFIMA European Company for the Financing of Railroad Rolling Stock
Basel

Report of the Statutory Auditor on the financial statements

As statutory auditor, we have audited the financial statements of EUROFIMA, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and notes (pages 32 to 67), for the year ended December 31, 2015.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS), the accounting and valuation principles described in the annual report, the requirements of the international Convention for the establishment of the company and the Statutes. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss Auditing Standards as well as the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2015 present fairly, in all material respects, the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Furthermore, the financial statements comply with the international Convention for the establishment of the company and the Statutes.

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Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 SCO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 SCO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Ray Kunz	Matthias Sutter
Audit expert	Audit expert
Auditor in charge	

Basel, March 18, 2016

2

EUROFIMA Annual Report 2015

Milestones in development

Milestones in development

1957 First issue in Swiss francs
1961 First issue in Dutch guilders
1962 First share capital increase from 50 to 100 million Swiss francs
1964 First issue in Deutsche Mark
1967 First issue in US dollars
1970 Second share capital increase from 100 to 300 million Swiss francs
1971 First issue in French francs
First issue in Luxembourg francs
1972 First issue in Belgian francs
1976 Third share capital increase from 300 to 500 million Swiss francs
1978 First issue in Yen in the "Samurai" market
1979 First issue in Austrian shillings
1982 First issue in Sterling
1984 Extension of the duration of the company for another 50 years, until 2056
Fourth share capital increase from 500 to 750 million Swiss francs
1986 First issue in Italian lira
1987 EUROFIMA opens the Spanish "Matador" market
First issue in Australian, Canadian and New Zealand dollars
1989 First issue in Swedish krona
First issue in Portuguese escudos
1990 Fifth share capital increase from 750 to 1 050 million Swiss francs
1992 Admission of the Hungarian State Railways (MÁV)
1993 Sixth share capital increase from 1 050 to 2 100 million Swiss francs
1994 Admission of the Croatian (HŽ) and the Slovenian (SŽ) Railways
1995 First issue in Hong Kong dollars
1996 Admission of the Railways of Bosnia and Herzegovina (ŽBH)
and the Railways of the Former Yugoslav Republic of Macedonia (CFARYM)
1997 First issue in South African rand
Seventh share capital increase from 2 100 to 2 600 million Swiss francs
1998 First issue in Czech koruna
First issue in Polish zlotys
First issue in Greek drachmas
1999 First issue in euro
Admission of the Bulgarian State Railways (BDZ)
2001 Admission of the Railways of the Slovak Republic (ŽSSK)
First domestic "Kangaroo" issue in Australian dollars
2002 First issue in Norwegian krona
Admission of the Railways of the Czech Republic ČD)
2004 First US dollar 1 billion benchmark issue
2005 First issue in Mexican pesos
First issue in Turkish lira
First domestic "Maple" issue in Canadian dollars
2006 First issue in Icelandic krona
2007 First Swiss franc 1 billion benchmark issue
2008 First domestic "Kauri" issue in New Zealand dollars
First issue in the Japanese "Uridashi" market
2010 First euro 1 billion benchmark issue
2013 First US dollar FRN 1 billion benchmark issue

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