

# Annual financial statements 2011

*Submitted by the  
Board of Directors  
at the General  
Shareholders' Meeting  
of 16 May 2012*

# Inhoud

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# Introduction



## Company presentation

Infrabel is the manager of the Belgian railway infrastructure. The company was established on 29 October 2004 as a public limited company following the European Directives on separation of railway infrastructure management and railway transport service operation. The company's Articles of Associations were last changed on 05 January 2012. The company's registered office is located at place Marcel Broodthaers 2 in 1060 Brussels. The annual accounts are prepared in accordance with the Belgian Accounting Law (Belgian GAAP), where the valuation rules were to the utmost aligned with the IFRS international accounting standards.

## Financial year

The financial year runs from 1 January to 31 December of each year.

## Capital

The capital consists of 16,723,647 registered shares without par value. Following the General Shareholders meeting's decision on the 16 July 2007 with regards to a capital increase for the construction of high speed lines, an amount of €13,000,000.00 has been released during the financial year in accordance with the invested amounts.

On 22 December 2011, the General Shareholders' Meeting agreed to a capital increase of €43,817,098.63 for investment works carried out within the scope of the SPV 162 for the modernisation of the line Brussels-Luxembourg. This capital increase resulted in the issue of 51,606 new shares. According to article 355 of the program law of 20 July 2006, the amounts of €13,000,000.00 and €43,817,098.63 have been transferred from capital to investment grants.

On 31/12/2011, the situation of the shareholders is as follows:

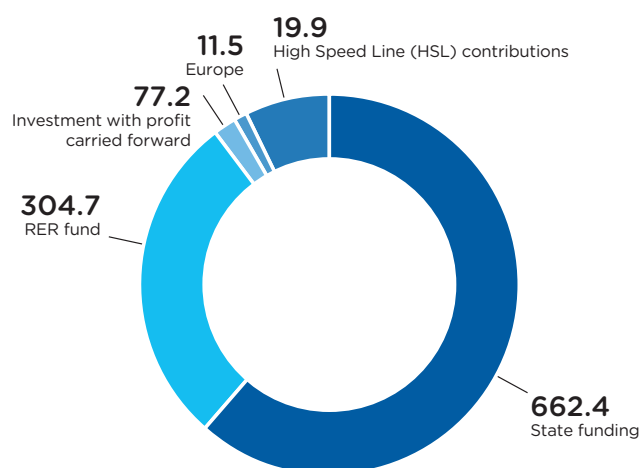
- The Belgian state holds 1,064,746 shares, i.e. 6.37% of the capital;
- The SNCB-Holding holds 15,658,901 shares, i.e. 93.63% of the capital.

Although the Belgian State is a minority shareholder, it is legally entitled to 80% +1 vote in decisions made by the company's management bodies.

The annual accounts are submitted to the National Bank of Belgium. Printed copies of the annual report are available from the company's registered office and are sent to anyone requesting them. The annual report is also available on the company's website ([www.infrabel.be](http://www.infrabel.be)).

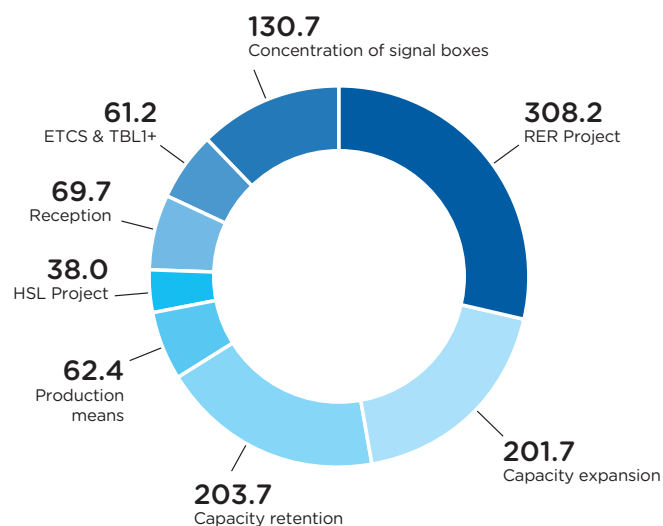
# Key figures 2011

## Financing of the realised investments (in million €)



=> Total = 1,075.7 millions

## Investments realised in 2011 (in million €)



=> Total = 1,075.7 millions

## Income statement (in million €)

Operating revenues	1,405.53
Operating costs <sup>(1)</sup>	1,392.51
Gross operating income (EBITDA)	13.02
Depreciation, impairments and provisions	380.07
Net operating income (EBIT)	-367.05
Financial result	402.69
Extraordinary result	-41.62
Overall result (EBT)	-5.98

<sup>(1)</sup> Excluding depreciation, impairments and provisions

## Balance sheet

Infrabel's balance sheet total amounts to **€15,386,461,218.17** on 31/12/2011 compared with €14,751,229,382.61 on 31/12/2010. The balance sheet showing the amounts, by category of assets and liabilities, is presented on page 10.



# 01



# Annual report by the Board of Directors to the General Shareholders' Meeting

## **Introduction: obliged statements in the annual report**

*This annual report is in accordance with:*

- Articles 96, 134, 523, 608 and 624 of the Belgian Company Code
- Article 27 of the law of March 1991, law concerning the reform of certain economic public companies.

It is with great pleasure that the Board of Directors presents this report regarding the company situation and the results of the company during the 2011 financial year, in accordance with legal and statutory requirements..

## **1. Company situation**

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### **1.1. Important events in 2011**

In 2011 Infrabel continued apace with increasing safety on the network, its number one strategic priority. After the accident in Buizingen on 15 February 2010, and in keeping with the recommendations of the Railway Safety Commission, established afterwards, which were adopted on 10 February 2011 by the Parliament, the decision was made to accelerate implementation of a number of safety investments.

Infrabel is progressively installing the automatic breaking system TBL1+. Over the course of 2011, the efficiency coverage of the network by TBL1+ evolved from 54% to 71%, which is 3% more than the accelerated installation already planned.

Safety efforts are also bearing their first fruits. In 2011, 12.5% fewer signals were disregarded on the main track.

Infrabel developed its ETCS Master Plan (European Train Control System). This was presented in the Commission for Infrastructure, Traffic and Public Enterprises on 19 October 2011. The aim is to have a railway network entirely equipped with ETCS by the end of 2022, provided the financial resources are made available.

In 2011, 19 signal boxes were taken over and 21 level crossings eliminated, which also contributes systematically to increasing safety.

Furthermore, Infrabel is trying to further disseminate its safety culture in a proactive manner. On 22 October, Infrabel, together with SNCB, the fire department and other emergency services held a large disaster exercise at Herentals station. All railway companies were invited as observers.

The first half of 2011 was characterised by a continued, very cautious economic revival, but the second semester of 2011 experienced

a slowdown of growth and even slightly negative growth due to the financial and economic crisis. The number of effective train kilometres travelled by domestic passenger transport decreased slightly by 0.35% to 80.9 mil. train-km; for international passenger transport it increased by 8.60% to 4.9 mil. train-km. The number of train kilometres travelled by freight trains increased by 5.0% to 14.6 mil.

In June 2011, the European Commission initiated an official investigation into Belgian compliance with European Directive 91/440/EEC which demands obligatory separation of the financial accounts of railway companies and the infrastructure manager. This investigation is ongoing.

Specifically as concerns rail freight transport, as a result of the European regulation with regard to a European rail network for competitive freight which came into force in the autumn of 2010, Belgium is involved in 3 freight corridors.

Infrabel has been active as a founding member in Corridor 2(C) since 2006, became a fully-fledged member of the Managing Committee of Corridor 1(A) in February 2011, and contributed to setting up the structures for Corridor 8(F). In doing so, Infrabel contributes a great deal to putting Belgium on the map of European freight corridors.

In 2011, Infrabel made significant progress at a number of large construction sites which will significantly expand the capacity of the future railway network.

On 16 May 2011, a project of Public-Private Partnership (PPP) completed the first of two tunnel shafts of the Liefkenshoek rail link underneath the Scheldt. At the end of 2011 the second tunnel shaft was





completed. These 2 steps confirm that the Liefkenshoek rail link is anticipated to be in service by mid-2014.

Work also continued apace in 2011 on improved access and the continued railway development in the port of Zeebrugge. On 22 November 2011, the EIR project (Environmental Impact Report) was approved by the Flemish government for construction of the new Zwankendamme railway yard and the modernising and expansion of the Zeebrugge marshalling yard. The project also includes construction of a bridge (Wulfsberge) over the Zwankendamme rail yard.

With regard to the second railway connection of the port of Antwerp, the study of the EIR plan continued in combination with the EIR plan E313 at the request of the Flemish Region, with a view to submission and approval of the EIR plan in the course of 2012.

Work continued on the 4 large axes of the RER, namely:

- The Watermael-Schuman-Josphat connection
- L161 (Brussels-Ottignies)
- L124 (Brussels-Nivelles)
- L50A (Brussels-Denderleeuw)

Works on the connection and the Schuman-Josaphat tunnel are going well, despite their complexity. At L161 and L50A, the civil engineering works are ongoing or have already been completed. At L124, on the contrary, Infrabel was unable to start any new works due to the notice of objection against the granting of the building permit in Linkebeek.

Progress was made at various other construction sites, including modernising the Brussels-Luxemburg axes, with the complete renovation of 32 of the 50 engineering structures, straightening 3 of 10 curves and renovation of 54 km of track.

The L130 between Namur and Charleroi is also being further modernised, with the refurbishment of Tamines station and renovation of the main tracks in Ronet.

Infrastructure works for the northern railway connection from Brussels Airport, the Diabolo, are approaching their final stage with a view to being in service in June 2012, whereby Infrabel's first PPP will transition to its operational phase.

On 10 June the first freight train departed from Lanaken on the newly laid track, financed by the Flemish Region, in the direction of Maastricht. Garocentre was inaugurated on 7 October; this is a tri-modal terminal, where Infrabel was responsible for the railway connection.

For the whole of 2011 Infrabel recorded a punctuality figure of 87.0% on the Belgian railway network, as compared to 85.7% in 2010. After neutralisation of external causes and investment works, punctuality was 91.9% as compared to 90.4% in 2010.

In collaboration with SNCB, in January a joint action plan was approved including 119 specific measures which in the short and medium term should have a definite positive impact on punctuality.

Infrabel launched its completely renovated website in the autumn of 2011 with a view to keeping all its stakeholders as well informed as possible. On 9 November, Railtime, the platform where passengers can request real-time train information, was expanded with a number of new applications for iPhone, Android and iPad, which should increase user-friendliness for requesting real-time train information from mobile devices.

Sustainability initiatives by Infrabel are taking hold. On 6 June 2011, the first solar-powered train journey took place thanks to solar panels on the roof of the Peerdsbos Tunnel in Antwerp.

Infrabel also extended this line of green initiatives to the station in Deinze. This past year, more than 200 solar panels were installed on the roofing over the platform tracks, which together supply 90% of the total energy needs in the station.

Infrabel participated in the Open Day for the second time on 2 October. More than 11,000 visitors discovered the signal boxes, Traffic Control, workshops and maintenance centres spread across the entire country. Safety was the key theme of this second participation.

On 13 December, together with G&V Energy Group, Infrabel opened a first public refuelling station for diesel engines in the port of Zeebrugge. The installation is open to all railway operators.

It has been ascertained that the number of copper thefts increased sharply in 2011. Infrabel, however, has taken a great deal of measures to increase surveillance, has laid cabling underground and replaced copper with aluminium wherever possible.

In 2011, the new strategic plan, Focus, combined with a financial plan for the period 2012-2016, was thoroughly prepared for definitive approval by the Board of Directors in 2012.

Infrabel submitted the long-term investment plan 2013-2025 to SNCB Holding on 08/12/2011.

## 1.2. Company positioning

In January 2006, international freight transport was liberalised entirely. National freight traffic followed a year later. On 1 January 2010, international passenger rail traffic was also liberalised. There are also an increasing number of railway companies active on the Belgian railway network.

On 1 January 2011, Infrabel had issued allowances to 12 freight customers, 8 of which also effectively run their trains on the network. These were SNCB, Crossrail, Fret -SNCF, Captrain Belgium, DB Schenker Rail Nederland, Trainsport, Rotterdam Rail Feeding and ERS. The remaining 4, namely Railtraxx, Europorte France, EuroCargoRail and Rurtalbahn BV were not yet active at that time.

Railtraxx drove its first train on 4 August 2011. Euro Cargo Rail did the same on 06 May 2011. They were thus respectively the 9th and 10th of Infrabel's active freight customers.

In February, SNCB Logistics, an independent branch of SNCB, became the new name of the SNCB's freight transport company.

For passenger transport, Infrabel currently has SNCB (-Mobility and -Europe) and Eurostar International Ltd (EIL) as customers.

Thus, on 31 December 2011, Infrabel totalled 14 customers, 12 of which are active.

The Rail Access Directorate is responsible for developing high-quality, non-discriminatory relationships with all its customers - railway companies.

As compared to 2010, railway activity in 2011, expressed in effective and non-effective train-kilometres, rose by 1.37% to 112,250 million train-kilometres.

Revenues deriving from user's fees for infrastructure rose by 3.20% in 2011 as compared to 2010.

Traditional investments are financed by investment grants from the federal government in accordance with the management contract. Furthermore, additional resources were used from separate agreements, such as PPP and pre-financing agreements. An appeal can be made for EU subsidies for certain projects.

The RER works were financed by RER funds, the management of which the State has entrusted to SNCB Holding, while the final completion of the HST was just financed with a loan from SNCB Holding.

## 1.3. Important events since the end of the financial year

There are no important events to be mentioned since the end of the financial year.

## 1.4. Circumstances that might have a marked influence on the company's development

Included among the elements that may have an important effect on Infrabel's operations are every fundamental strategy development by its most important client, SNCB.

Since 1 February 2011, following the restructuring of SNCB freight activity, SNCB Logistics - the new company - has served as the railway operator. Its financial situation continues to be a cause of concern and developments can have a significant influence on income from the infrastructure fee.

The coalition agreement provides that the SNCB Group will be restructured with a reduction of its entities. Within a term of 6 months after the formation of the government in December 2011, the competent minister will draft a restructuring plan. According to the intended savings on operational costs of the SNCB Group, the new structure will be operational as from 2013.

For the time being, no further steps have been taken against Belgium in the infringement procedure initiated by the European Commission, based on the alleged failure of proper transposition of the 1st railway package. The Commission, however, has a discretionary power to continue the infringement procedure at any time and at every stage of the procedure.

Further discussion at the EU level about the new White Paper on Transport 2050, revision of the first railway package, revision of the TEN-T guidelines and new initiatives concerning financing of transport infrastructure (connecting Europe Facility), could eventually have significant consequences for the functioning of the company.

## 1.5 Research and development

Owing to its membership in various international organisations, Infrabel is able to use internationally developed tools with respect to research and development.

In addition, Infrabel makes systematic innovation efforts in the areas that fall under its own responsibility.

## 1.6 Branches

Alongside its 208 work units, Infrabel has 2 subsidiaries in which it maintains a majority share: TUC Rail S.A. and Chantier de Créosotage de Bruxelles S.A. (Brussels Creosote Centre), active respectively in the field of research and rail infrastructure work, and in the area of impregnating sleepers (creosoting).

Additionally, Infrabel is also a member of the EEIG (European Economic Interest Grouping) Corridor C, and has a participation in the CVBA GREENSKY and SPS FIN, both established in the framework of alternative energy projects.

## 1.7 Continuity

In accordance with Article 96 6° of the Company Code, we indicate that losses suffered by Infrabel in 2010 and 2011, 2.7 and 6.0 million € respectively, do not pose a threat to the continuity of the company, which has more than 14.5 billion € in shareholder's equity.

## 1.8 Key indicators

Infrabel uses several key indicators; this list was completed in 2006 in connection with the implementation of the BRIO strategic plan.

### Infrabel's key indicators are as follows:

		2005	2006	2007	2008	2009	2010	2011
<b>A</b>	<b>Safety</b>							
	- Collisions with coincidental obstacles on the main track	118	102	97	85	89	85	56
	- Accidents at level crossings	61	56	62	47	45	33	31
	- Signal overrunning: On main track On secondary track	62	75	79	97	117 96 21	130 104 26	129 91 38
<b>B</b>	<b>Punctuality of passenger trains - domestic traffic:</b>							
	- With neutralisation	94.8%	94.0%	93.6%	94.3%	92.9%	90.4%	91.9%
	- Without neutralisation	91.9%	90.6%	89.2%	90.2%	88.9%	85.7%	87.0%
	- Number of "minutes reports" attributable to Infrabel	-	-	-	234,159	247,046	301,491	303.741
	Infrabel's share (%)				23.70%	23.30%	21.1%	22.60%
<b>C</b>	- Number of "minutes delay" attributable to Infrabel				305,458	318,527	397,068	383.807
	Infrabel's share (%)				20.40%	19.80%	17.50%	19,10 %
<b>C</b>	EBITDA in million €	+61.5	+57.8	+68.8	+83.9	+55.0	+25.1	+13.0[*]
	EBT (overall result) in million €	+49.0	+40.1	+65.9	+98.8	+69.6	-2.7	- 6.0
	Cash position on 31 December (in million €)	+351.9	+229.8	+576.2	+571.2	+559.1	+536.3	+484.4
<b>D</b>	Degree of implementation of investments compared to amendments - all funding resources included (%)	90.5%	89.2%	81.6%	97.9%	101.6%	94.5%	94.0%
<b>E</b>	Implementation of the BRIO strategic plan - Strategic priorities progressing according to plan (on 23)	-	-	-	20	21	21	20
<b>F</b>	Number of train paths (millions)	1.897	1.856	1.854	1.844	1.754	1.798	1.770
	Number of train kilometres (millions) (effective + non-effective)	102.613	104.946	112.120	113.668	107.896	110.734	112.250
<b>G</b>	<b>Domestic travellers' quality survey</b>							
	a) General satisfaction	7.44	7.33	7.23	6.93	6.92	6.41	Data only available at end of May, after the General Shareholders' Meeting
	b) Train punctuality	7.00	6.64	6.29	5.99	5.88	5.22	
	c) Quality of information at the stations	7.38	7.27	7.24	7.14	7.11	6.80	
<b>H</b>	Staff expressed in full-time equivalents on 31 December	13,655	13,557	12,271 [**]	12,198	12,342	12,234	12,001

(\*) According to statutory accounts in BGAAP on 31/12/2011

(\*\*) Effect of the transfer of employees to SNCB as a result of the "New Passengers" operation

## 2. Financial data for the financial year 2011

### 2.1.

#### Balance sheet

The company's balance sheet on 31 December 2011 amounts to a total of €15,386.46 million against €14,751.23 million on 1 January 2011 and can be summarised as follows (in million €).

ASSETS	31-12-2010	31-12-2011
<b>Fixed assets</b>	<b>13,489.41</b>	<b>14,236.35</b>
I. Formation expenses	0.00	0.00
II. Intangible fixed assets	1,373.28	1,371.41
III. Tangible fixed assets	12,112.87	12,861.64
IV. Financial fixed assets	3.26	3.30
<b>Current assets</b>	<b>1,261.82</b>	<b>1,150.11</b>
V. Accounts receivable after more than one year	7.85	8.34
VI. Stocks and contracts in progress	277.12	250.91
VII. Accounts receivable within one year	431.01	398.05
VIII. Investments	442.27	484.05
IX. Cash at bank and in hand	94.26	0.31
X. Deferred charges and accrued income	9.31	8.45
<b>TOTAL ASSETS</b>	<b>14,751.23</b>	<b>15,386.46</b>

LIABILITIES	31-12-2010	31-12-2011
<b>Shareholders' equity</b>	<b>13,831.19</b>	<b>14,515.42</b>
I. Capital	1,450.06	1,450.06
II. Share premium	299.32	299.32
III. Revaluation surpluses	45.61	41.72
IV. Reserves	16.17	16.17
V. Profit carried forward	104.52	8.54
VI. Investment grants	11,915.51	12,699.61
<b>Provisions</b>	<b>59.23</b>	<b>61.43</b>
VII. Provisions	59.23	61.43
<b>Debts</b>	<b>860.81</b>	<b>809.61</b>
VIII. Accounts payable after one year	19.95	18.07
IX. Accounts payable within one year	653.78	598.45
X. Accrued charges and deferred income	187.08	193.09
<b>TOTAL LIABILITIES</b>	<b>14,751.23</b>	<b>15,386.46</b>

## 2.2. Income statement

The 2011 financial year ends with a positive gross operating profit (EBITDA) of €13.02 million and a negative overall result (EBT) of €-5.98 million.

The income statement can be summed up as follows (in million €):

INCOME STATEMENT	2010	2011
<b>Operating revenues</b>	<b>1,366.18</b>	<b>1,405.53</b>
Turnover	1,063.93	1,125.05
- Infrastructure fee	629.11	649.05
- State funding	192.49	191.23
- Other	242.33	284.77
Variations in finished products, work and contracts in progress	22.90	-23.94
Produced fixed assets	249.53	274.21
Other operating income	29.82	30.21
<b>Operating cost</b>	<b>1,341.11</b>	<b>1,392.51</b>
Raw materials and consumables	117.16	153.18
Services and other goods	1,222.61	1,238.04
- Payroll charges	726.58	724.06
- Other	496.03	513.98
Other operating charges	1.34	1.29
<b>Gross operating income (EBITDA)</b>	<b>25.07</b>	<b>13.02</b>
Depreciation, impairments and provisions	378.57	380.07
Financial result	351.93	402.69
Extraordinary result	-1.13	-41.62
<b>OVERALL RESULT (EBT)</b>	<b>-2.70</b>	<b>-5.98</b>

## 2.3. Risk management relating to the use of financial instruments

At 31 December 2011, Infrabel did not have any risks relating to the use of financial instruments.

Infrabel has entrusted the day-to-day management of its cash resources to SNCB-Holding, who acts as the “in house” bank. It looks after the cash pooling within SNCB group and, if appropriate, uses financial instruments for its own account.





## 2.4. Appropriation of profits

The profit to be appropriated amounts to:	
- Financial year loss	-€ 5,985,710.91
- Profit carried forward from previous financial years	€ 104,523,782.22
- Transfer to investment grants	-€ 90,000,000.00
- Profit to be appropriated	€ 8,538,071.31
The Board of Directors proposes the following appropriation of the profits:	
- Appropriation to the capital and share premium	€ 0.00
- Allocation to the legal reserve	€ 0.00
- Allocation to the available reserves	€ 0.00
- Carry forward to the next financial year	€ 8,538,071.31
- Remuneration of the capital (dividends)	€ 0.00
- Profit to be paid to Directors	€ 0.00
- Profit to be paid to other beneficiaries	€ 0.00
<b>TOTAL</b>	<b>€ 8,538,071.31</b>

The appropriation as proposed above is inspired by the desire to provide the company with sufficient financial resources to maintain its industrial base and ensure normal and sound business management.

## 2.5. Auditors' additional assignments

During the 2011 financial year, in addition to their standard mandate, the following services have been carried out by the auditors:

- report with regard to the increase in capital as a result of the contribution in kind of the SNCB-Holding, in the amount of €14,242.00
- audit activities related to the consolidation for €12,800.00

## 2.6. Valuation rules

The valuation rules applied at the close of the annual accounts on 31 December 2011 were submitted to the Management Committee on 20/03/2012 and to the Board of Directors on 29/03/2012. Some valuation rules were changed compared to the financial year 2010, mainly where the valuation rules were not yet fully aligned with IFRS. The summary of the valuation rules is attached to the annual financial statements.

## 2.7. Conflicts of interest

During the previous financial year, no acts gave rise to a conflict of interest between a Director and the company as described in article 523 of the Belgian Company Code.

## 2.8. Proposed discharge from liability of the Directors and Auditors

The Shareholders' Meeting is requested to discharge the Directors as well as the auditors from liability, and to approve the annual financial statements presented to you.

Drawn up in Brussels on 26/04/2012.

On behalf of the Board of Directors,

**Christine Vanderveeren**  
Chair of the Board of Directors

**Luc Lallemand**  
Chief Executive Officer



# 02



# Balance sheet 2011

## 1. Assets

### Balance sheet financial year 2011 (in €)

ASSETS	Balance sheet at 31/12/2010	Balance sheet at 31/12/2011
<b>FIXED ASSETS</b>	<b>13,489,411,044.83</b>	<b>14,236,353,450.88</b>
<b>I. Formation expenses</b>	<b>0.00</b>	<b>0.00</b>
<b>II. Intangible fixed assets</b>	<b>1,373,281,081.61</b>	<b>1,371,412,863.24</b>
Concession fee	1,277,575,757.57	1,263,838,383.83
Intangible fixed assets excl. concession fee	95,705,324.04	107,574,479.41
<b>III. Tangible fixed assets</b>	<b>12,112,871,018.79</b>	<b>12,861,642,566.35</b>
A. Land and buildings	3,279,546,921.29	3,359,475,056.89
Acquisition value	3,961,636,385.18	4,050,301,312.90
Depreciation	-682,089,463.89	-690,826,256.01
B. Plant, machinery and equipment	5,102,762,904.65	5,138,750,591.68
Acquisition value	9,399,342,867.13	9,731,833,629.58
Depreciation	-4,296,579,962.48	-4,593,083,037.90
C. Furniture and vehicles	19,840,455.21	19,775,947.78
Acquisition value	120,869,313.55	121,984,097.44
Depreciation	-101,028,858.34	-102,208,149.66
D. Leasing and similar rights	45,610,050.07	41,716,113.84
Acquisition value	49,307,903.10	147,453,515.47
Depreciation	-3,697,853.03	-105,737,401.63
E. Other tangible fixed assets	843.44	6,430,307.18
Acquisition value	102,816,391.64	96,988,006.39
Depreciation	-102,815,548.20	-90,557,699.21
F. Assets under construction and advance payments	3,665,109,844.13	4,295,494,548.98
<b>IV. Financial fixed assets</b>	<b>3,258,944.43</b>	<b>3,298,021.29</b>
A. Affiliated companies	3,245,017.06	3,284,093.42
1. Shareholding	3,095,017.06	3,284,093.42
- Brussels creosote centre	1,607,655.91	1,796,732.27
- TUC RAIL	1,487,361.15	1,487,361.15
2. Accounts receivable (Woodprotect)	150,000.00	0.00
B. Companies linked by shareholding interests	3,000.00	3,000.00
1. Shareholdings (Greensky)	3,000.00	3,000.00
2. Accounts receivable	0.00	0.00
C. Other financial fixed assets	10,927.37	10,927.87
1. Shares	10,629.90	10,630.40
- SPS FIN	9,879.90	9,879.90
- BCC	750.00	750.00
- Black Swan Solar	0.00	0.50
2. Accounts receivable and cash guarantees	297.47	297.47



## Balance sheet financial year 2011 (in €)

<b>CURRENT ASSETS</b>	<b>1,261,818,337.78</b>	<b>1,150,107,767.29</b>
<b>V. Accounts receivable after more than one year</b>	<b>7,852,542.63</b>	<b>8,340,144.22</b>
A. Trade receivables	2,542.63	0.00
B. Other accounts receivable	7,850,000.00	8,340,144.22
- Historic soil clean-up	7,850,000.00	8,340,144.22
<b>VI. Stocks and contracts in progress</b>	<b>277,122,207.65</b>	<b>250,910,880.56</b>
A. Stocks	238,798,369.34	234,870,966.85
1. Raw materials	149,327,982.89	226,135,047.57
2. Work in progress	8,657,964.40	4,691,488.52
3. Finished products	80,812,248.05	4,044,430.76
6. Payments in advance	174.00	0.00
B. Contracts in progress	38,323,838.31	16,039,913.71
<b>VII. Accounts receivable within one year</b>	<b>431,012,413.45</b>	<b>398,050,567.83</b>
A. Trade receivables	197,560,594.34	230,242,893.82
B. Other accounts receivable	233,451,819.11	167,807,674.01
- VAT recoverable	30,958,895.94	44,195,562.42
- State funding	16,268,000.00	13,798,800.00
- Rail investment fund	40,000,000.00	0.00
- Subsidised receivables	130,694,806.77	100,362,274.21
- Other	15,530,116.40	9,451,037.38
<b>VIII. Investments</b>	<b>442,265,000.00</b>	<b>484,050,922.41</b>
B. Other investments and deposits	442,265,000.00	484,050,922.41
<b>IX. Cash at bank and in hand</b>	<b>94,259,193.91</b>	<b>307,604.73</b>
<b>X. Deferred charges and accrued income</b>	<b>9,306,980.14</b>	<b>8,447,647.54</b>
- Deferred payroll charges	7,642,547.34	7,334,686.96
- Deferred insurance premiums	949,950.00	589,421.71
- Other deferred costs	631,831.60	476,185.21
- Accrued income	82,651.20	47,353.66
<b>TOTAL ASSETS</b>	<b>14,751,229,382.61</b>	<b>15,386,461,218.17</b>

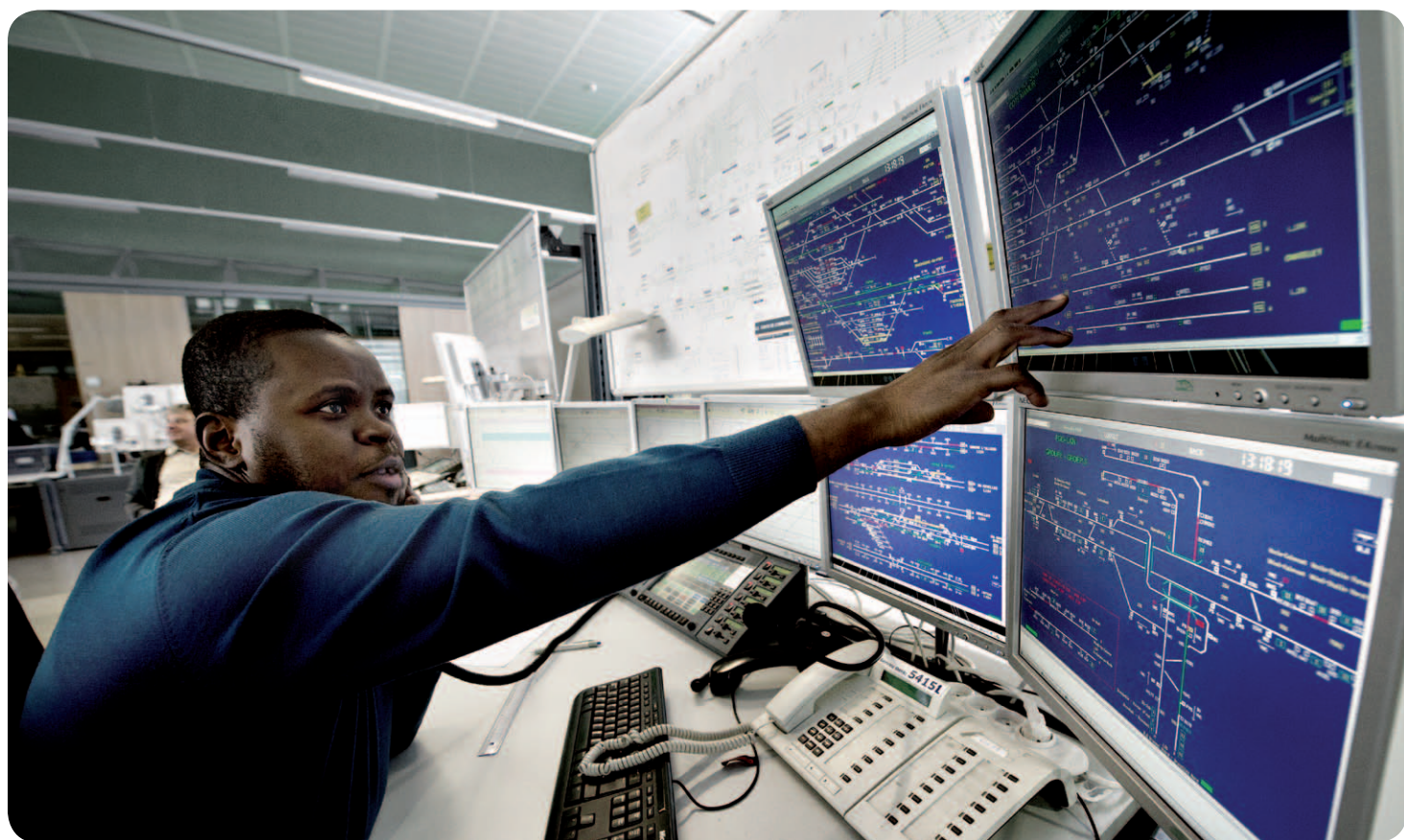
## 2. Liabilities

### Balance sheet financial year 2011 (in €)

LIABILITIES	Balance sheet at 31/12/2010	Balance sheet at 31/12/2011
<b>EQUITY</b>	<b>13,831,188,300.66</b>	<b>14,515,415,261.40</b>
<b>I. CAPITAL</b>	<b>1,450,061,500.00</b>	<b>1,450,061,500.00</b>
A. Issued capital	1,531,975,000.00	1,518,975,000.00
B. Uncalled capital (-)	-81,913,500.00	-68,913,500.00
<b>II. Share premium</b>	<b>299,317,752.80</b>	<b>299,317,752.80</b>
<b>III. Revaluation surpluses</b>	<b>45,610,017.15</b>	<b>41,716,081.14</b>
<b>IV. Reserves</b>	<b>16,169,691.66</b>	<b>16,169,691.66</b>
A. Legal reserves	16,169,691.66	16,169,691.66
<b>V. Profit carried forward</b>	<b>104,523,782.22</b>	<b>8,538,071.31</b>
<b>VI. Investment grants</b>	<b>11,915,505,556.83</b>	<b>12,699,612,164.49</b>
- Tangible and intangible fixed assets	11,915,505,556.83	12,699,612,164.49
<b>PROVISIONS AND DEFERRED TAXES</b>	<b>59,231,757.46</b>	<b>61,429,426.84</b>
<b>VII. Provisions for liabilities and charges and deferred taxes</b>	<b>59,231,757.46</b>	<b>61,429,426.84</b>
A. Provisions for liabilities and charges	59,231,757.46	61,429,426.84
4. Other liabilities and charges	59,231,757.46	61,429,426.84
- Soil clean-up	35,730,323.55	37,343,432.76
- Legal disputes	10,051,059.00	11,740,644.06
- Removal non-reusable wood waste	645,084.16	488,017.82
- Seniority leave	6,246,765.94	7,102,384.39
- Seniority premiums	1,340,862.95	1,374,916.24
- Anticipated departure of staff	5,217,661.86	3,380,031.57



<b>DEBTS</b>	<b>860,809,324.49</b>	<b>809,396,887.06</b>
<b>VIII. Accounts payable after more than one year</b>	<b>19,951,299.55</b>	<b>18,072,099.77</b>
A. Financial debts	27.34	26.42
3. Leasing and other similar obligations	27.34	26.42
D. Other debts	19,951,272.21	18,072,073.35
- Pensions taken over	19,499,306.17	17,640,903.12
- Other	451,966.04	431,170.23
<b>IX. Accounts payable within one year</b>	<b>653,777,799.24</b>	<b>598,226,813.34</b>
A. Accounts payable after more than one year due within the year	1,790,529.49	2,010,172.36
B. Financial debts	0.00	64.40
1. Credit institutions	0.00	64.40
C. Trade payables	605,393,197.05	590,566,271.28
1. Trade creditors	605,393,197.05	590,566,271.28
D. Advances received on contracts	5,058,836.85	5,664,489.28
E. Debts with regard to taxes, remuneration and social security	13,912.82	18,312.82
1. Taxes	7,579.28	6,026.95
2. Remunerations and social charges	6,333.54	12,285.87
F. Other debts	41,521,323.03	187,146.07
<b>X. Accrued charges and deferred income</b>	<b>187,080,225.70</b>	<b>193,097,973.95</b>
- Accrued payroll charges	78,326,919.74	83,157,537.04
- Other accrued charges	84,882.62	156,728.54
- Deferred income from infrastructure fees	106,128,553.22	109,783,708.37
- Other deferred income	2,539,870.12	0.00
<b>TOTAL LIABILITIES</b>	<b>14,751,229,382.61</b>	<b>15,386,461,218.17</b>





## 3. Notes to the balance sheet

### 3.1. Intangible fixed assets

The intangible fixed assets include, on the one hand, the right to operate the Belgian network with a book value of €1,263,838,383.83. This operating right is depreciated on a straight-line basis over 99 years. On the other hand, they include the investments in software for internal applications developed by the SNCB-Holding on behalf of Infrabel. The book value of this software is €107,574,479.41

### 3.2. Tangible fixed assets

Infrabel has a considerable annual investment budget. The company's investments particularly relate to expansion, modernisation and maintenance of the traditional railway infrastructure. Furthermore, Infrabel is investing significant amounts in the completion of infrastructure works aimed at providing greater accessibility to Brussels (RER) and in investment projects provided for in the strategic plan BRIO, such as the concentration of signalling boxes, the implementation of the TBL1+ and ETCS systems, access to the ports, etc. The net increase of the tangible fixed assets compared to 31 December 2010 amounts to €748,771,547.56

*See also the notes to the annual financial statements - Statement 1 (page 32).*

*See also the notes to the annual financial statements - Statement 2 (page 33).*





### 3.3. Financial fixed assets

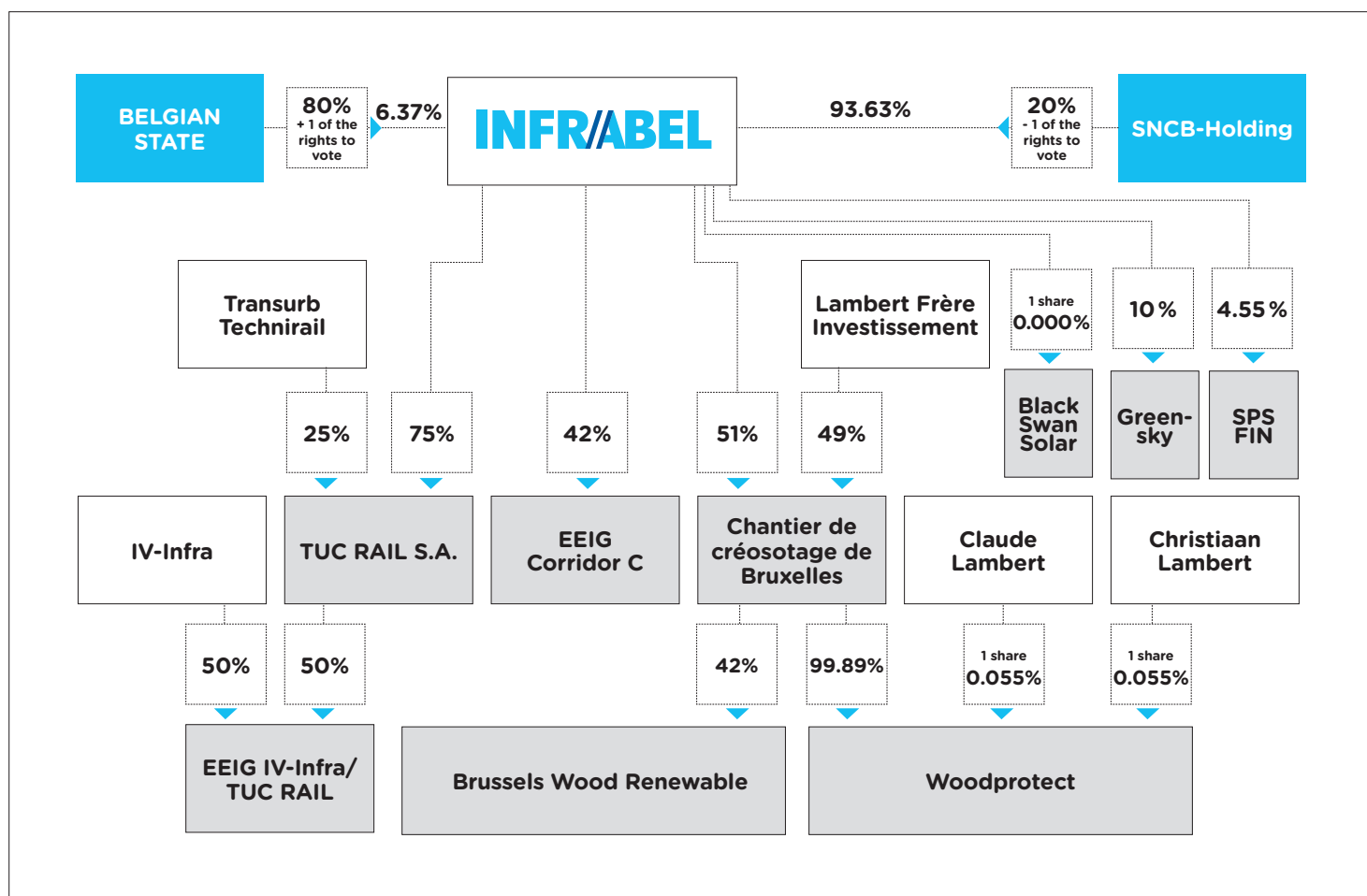
The company holds a shareholding interest amounting to €3,284,093.42 in its subsidiaries, broken down as follows:

- Brussels Creosote Centre (BCC) for €1,796,732.27;
- TUC RAIL S.A for €1,487,361.15.

Following the change in evaluation rules regarding write-downs on financial fixed assets, the write-down on CCB of €189,076.36 has been reversed, resulting in an increase of the shareholding interest in CCB of €1,607,655.91 in 2010 to €1,796,732.27 in 2011.

Infrabel is also member of the EEIG (European Economic Interest Grouping) Corridor C, and has a shareholding interest in CVBA GREENSKY, SPS FIN and Black Swan Solar, which were established within the framework of projects for alternative energy.

The general structure for Infrabel's interests in its subsidiaries' capital is presented in the following diagram.



See also the notes to the annual financial statements - Statement 4 (page 34).

### 3.4.

#### Stocks and contracts in progress

The company has a total amount of €234,870,966.85 in stocks on its balance sheet. A large part of these stocks concern supplies in consumables such as signalling equipment, sleepers, track equipment, etc. amounting to €226,135,047.57. Finished products and work in progress have respectively a value of €4,044,430.76 and €4,691,488.52.

Contracts in progress, excluding impairments, amount to €18,473,841.95 and mainly concern works where a contract is signed with the third party who placed the order. These open orders will later be invoiced to the third party in question.

Amounts in €	
<b>Stock:</b>	<b>234,870,966.85</b>
1. Supplies	226,135,047.57
Acquisition value	241,748,666.71
- Raw materials	28,570.90
- Various deliveries	23,916,118.13
- Ballast	98,548.08
- Sleepers	26,730,916.17
- Rails	13,802,049.11
- Track equipment	15,521,759.17
- Crossings	16,445,788.34
- Wires and cables	477,642.78
- Signaling equipment	102,154,045.35
- Other track materials	34,312,262.33
- Decommissioned equipment	6,671,958.15
- Rolling stock	1,589,008.20
Recorded impairments	-15,613,619.14
2. Work in progress	4,691,488.52
3. Finished products	4,044,430.76
Amounts in €	
<b>CONTRACTS IN PROGRESS :</b>	<b>16,039,913.71</b>
- Manufacturing cost	18,473,841.95
- Recorded impairments	-2,433,928.24

### 3.5.

#### Accounts receivable within one year

The trade receivables stand at €398,050,567.83 on 31/12/2011 and consist of trade receivables of €230,242,893.82 and other receivables of €167,807,674.01. The trade receivables on the SNCB amount to €98.39 million. These relate mainly to the invoice for the infrastructure fee for the month of February 2012. Infrastructure fees are invoiced two months in advance to each active operator on the Belgian railway network.

The receivable linked to the operating grant from the State amounts to €64,537,000.00. The other receivables amounting to €167,807,674.01 include mainly receivables linked to funding by third parties at €100,362,274.21, €81,549,196.43 of which concerns the RER fund. The VAT amount to be recovered amounts to €44,195,562.42.

### 3.6.

## Investments and cash at bank and in hand

As of 31/12/2011, Infrabel had a positive treasury position of €484,358,527.14. The available cash resources have been invested on the one hand with the SNCB-Holding for cash pooling, and on the other hand with financial institutions.

The cash flow table below presents the movements in cash and the way in which these were generated and allocated. The indirect

method was applied for the preparation of the cash flow statement. This method reconstructs the cash flow by correcting the net profit for activities without a monetary character, such as depreciations, impairments and provisions.

Cash flow	31 december 2011
<b>Investments and cash equivalents at the start of the financial year</b>	<b>536 524 193.91</b>
<b>Operational activities</b>	
<b>Company result</b>	<b>-5,985,710.91</b>
<b>Non-cash items included in the company result</b>	<b>19,081,307.30</b>
- Depreciation of fixed assets	420,805,076.57
- Investment grants included in the result	-403,248,976.80
- Depreciation of revaluation surpluses	-3,893,936.01
- Impairments	4,881,540.57
- Provisions for risks and charges	2,197,669.38
- Gains and losses on derecognition of fixed assets	-1,660,066.41
<b>Gross cash flow generated by the company's operational activities</b>	<b>13,095,596.39</b>
Variation in stocks and contracts in progress	25,123,866.45
Variation in trade receivables	-35,026,500.13
Variation in receivables linked to the operating grant from the State	-1,241,000.00
Variation in other receivables	-1,687,479.85
Variation in trade debts	-14,826,925.77
Variation in other debts	-2,383,681.44
Variation in the accruals and deferrals	6,877,080.85
Variation in current VAT account	-13,236,666.48
<b>Net cash flow generated by operational activities</b>	<b>-23,305,709.98</b>
<b>Investment activities</b>	
Investment in intangible fixed assets	-26,165,614.52
Investment in tangible fixed assets	-1,141,657,940.45
Income from the sale of fixed assets	1,775,216.33
Investment in financial fixed assets	149,999.50
<b>Net cash flow generated by investment activities</b>	<b>-1,165,898,339.14</b>
<b>Financing activities</b>	
Investment grants from the State for the funding of assets	1,097,355,583.75
Variation in receivables linked to the investment grant from the State	2,470,000.00
Variation in receivables linked to the RER fund	14,263,172.82
Variation in other receivables linked to the financing of investment projects	22,949,561.38
Variation in receivables related to the rail investment fund	40,000,000.00
Variation in debts concerning unused investment grants	-40,000,000.00
Bank overdrafts	64.40
<b>Net cash flow generated by financing activities</b>	<b>1,137,038,382.35</b>
<b>Investments and cash equivalents at the end of the financial year</b>	<b>484,358,527.14</b>

### 3.7. Shareholders' equity

The shareholders' equity amounts to €14,515,415,261.40 and can be summarised as follows:

Issued capital	1,518,975,000.00 €
Uncalled capital	-68,913,500.00 €
Share premiums	299,317,752.80 €
Revaluation surpluses	41,716,081.14 €
Reserves	16,169,691.66 €
Profit carried forward	8,538,071.31 €
Investment grants	12,699,612,164.49 €
<b>TOTAL</b>	<b>14,515,415,261.40 €</b>

The revaluation surpluses are the result of a revaluation on QTE signalling assets and the marshalling installations at Antwerp North which are subject to alternative financing by the SNCB-Holding. The increase in investment grants compared with the previous financial year, relates to new investment grants received for different investment projects such as the HSL and RER projects along with all other investment projects financed by the State, the European Union, the provinces, etc. In accordance with the article 34 of the Law of 23 December 2011, the amount of €90 million was transferred from profit carried forward to investment grants.

### 3.8. Provisions and deferred taxes

To cover all significant known liabilities and obligations, Infrabel has included a provision in the balance sheet totalling €61,429,426.84.

The provisions refer to:

Soil clean-up	37,343,432.76 €
Legal disputes	11,740,644.06 €
Removal non-reusable wood waste	488,017.82 €
Seniority leave	7,102,384.39 €
Seniority premiums	1,374,916.24 €
Anticipated departure of staff	3,380,031.57 €
<b>TOTAL</b>	<b>61,429,426.84 €</b>





### 3.9. Debts

Short- and long-term debts amount to € 616,518,555.98 and can be broken down as follows:

Trade payables	590,566,271.28 €
Advance payments received	5,664,489.28,€
Debts with regards to taxes, remuneration and social charges	18,312.82,€
Long-term debts due within the year	2,010,172.36 €
Other short-term debts	187,146.07 €
Leasing and other similar obligations	26.42 €
Long-term debts	18,072,073.35 €
Bank overdrafts	64.40 €
<b>TOTAL</b>	<b>616,518,555.98 €</b>





# 03



# Income statement 2011

## 1. Detailed income statement

INCOME STATEMENT (in comparison to the previous financial year)	Year to date 31.12.2010	Year to date 31.12.2011	Variation
<b>I. Operating revenues</b>	<b>1,366,181,043.66</b>	<b>1,405,526,561.00</b>	<b>39,345,517.34</b>
A. Turnover	1,063,930,013.23	1,125,054,614.77	61,124,601.54
Sales and services	1,063,930,013.23	1,125,054,614.77	61,124,601.54
- State funding	192,488,000.00	191,233,000.00	-1,255,000.00
- Infrastructure fee	629,113,729.57	649,050,121.87	19,936,392.30
- Energy for traction and buildings	172,390,749.10	169,308,709.45	-3,082,039.65
- Investments for third parties	15,623,369.55	61,968,573.13	46,345,203.58
- Other	54,314,165.01	53,494,210.32	-819,954.69
Awarded discounts, returns and rebates	0.00	0.00	0.00
B. Variations in work in progress, finished products and contracts in progress (increase +, decrease -)	22,903,087.64	-23,940,481.03	-46,843,568.67
C. Produced fixed assets	249,525,512.59	274,211,853.31	24,686,340.72
D. Other operating income	29,822,430.20	30,200,573.95	378,143.75
<b>II. Operating costs</b>	<b>1,719,678,228.41</b>	<b>1,772,578,445.87</b>	<b>52,900,217.46</b>
A. Raw materials and consumables	117,161,484.95	153,175,667.60	36,014,182.65
1. Purchases	133,149,522.16	151,820,485.36	18,670,963.20
2. Variations in stock (increase +, decrease -)	-15,988,037.21	1,355,182.24	17,343,219.45
B. Services and other goods	1,222,612,459.76	1,238,040,290.00	15,427,830.24
- Payroll charges	702,867,974.41	705,527,617.83	2,659,643.42
- Other personnel related costs	23,709,282.49	18,532,939.15	-5,176,343.34
- Other	496,035,202.86	513,979,733.02	17,944,530.16
C. Remuneration, social security costs and pensions	0.00	0.00	0.00
D. Depreciation and impairments on formation expenses, tangible and intangible fixed assets	369,051,393.21	375,453,168.66	6,401,775.45
E. Impairments on stocks, contracts in progress and trade receivables (increase +, decrease -)	4,879,411.77	2,417,957.52	-2,461,454.25
F. Provisions for liabilities and charges (increase +, decrease -)	4,634,572.37	2,197,669.38	-2,436,902.99
G. Other operating costs	1,338,906.35	1,293,692.71	-45,213.64
<b>III. Operating result</b>	<b>-353,497,184.75</b>	<b>-367,051,884.87</b>	<b>-13,554,700.12</b>



INCOME STATEMENT (in comparison to the previous financial year)	Year to date 31.12.2010	Year to date 31.12.2011	Variation
<b>IV. Financial income</b>	<b>356,877,826.84</b>	<b>409,167,057.96</b>	<b>52,289,231.12</b>
A. Income from financial fixed assets	17,325.00	13,342.50	-3,982.50
B. Income from current assets	3,444,002.67	5,821,363.70	2,377,361.03
C. Other financial income	353,416,499.17	403,332,351.76	49,915,852.59
<b>V. Financial costs</b>	<b>4,951,671.31</b>	<b>6,476,409.89</b>	<b>1,524,738.58</b>
A. Debt costs	2,501,467.24	1,991,894.77	-509,572.47
B. Impairments on current assets other than those referred to in II.E. (increase +, decrease -)	2,414,985.41	2,656,977.73	241,992.32
C. Other financial costs	35,218.66	1,827,537.39	1,792,318.73
<b>VI. Profit (loss) on ordinary activities before taxes</b>	<b>-1,571,029.22</b>	<b>35,638,763.20</b>	<b>37,209,792.42</b>
<b>VII. Extraordinary income</b>	<b>524,290.05</b>	<b>6,203,093.03</b>	<b>5,678,802.98</b>
A. Reversals of depreciation and impairments on tangible and intangible fixed assets	0.00	2,360,057.72	2,360,057.72
B. Reversal of impairments on financial fixed assets	108,074.49	189,076.36	81,001.87
C. Reversals of provisions for extraordinary liabilities and charges	0.00	0.00	0.00
D. Gains on derecognition of fixed assets	416,210.88	1,775,666.48	1,359,455.60
E. Other extraordinary income	4.68	1,878,292.47	1,878,287.79
<b>VIII. Extraordinary costs</b>	<b>1,653,620.39</b>	<b>47,827,567.14</b>	<b>46,173,946.75</b>
A. Extraordinary depreciation and impairments on formation expenses, tangible and intangible fixed assets	1,451,893.81	47,711,967.07	46,260,073.26
B. Impairments on financial fixed assets	120.10	0.00	-120.10
C. Provisions for extraordinary liabilities and charges	0.00	0.00	0.00
D. Losses on derecognition of fixed assets	201,606.48	115,600.07	-86,006.41
E. Other extraordinary costs	0.00	0.00	0.00
<b>IX. Profit (loss) of the financial year before taxes EBT</b>	<b>-2,700,359.56</b>	<b>-5,985,710.91</b>	<b>-3,285,351.35</b>



## 2. Notes to the income statement

### 2.1. Turnover

Total turnover amounts to €1,125,054,614.77 and can be presented as follows:

Amounts in €	
<b>I. Operating revenues</b>	
<b>A. Turnover</b>	<b>1,125,054,614.77</b>
Infrastructure fee	649,050,121.87
State funding	191,233,000.00
Energy for traction and buildings	169,308,709.45
Investments for third parties	61,968,573.13
Scrap sales	11,379,610.49
Contractual fees	1,995,309.11
Construction, maintenance and modification of railway installations	4,885,352.18
Miscellaneous services provided to third parties	18,381,079.98
Rent of remaining capacity	3,500,000.04
Other services provided	13,352,858.52

The infrastructure fee obtained from rail operators represents €649.05 million or 58% of the turnover.

Infrabel receives a fee from the various rail operators calculated per train kilometre for the use of the Belgian railway infrastructure, both for national and international passenger transport and for freight transport.

To finance its operating costs, the company also obtained state funding for €191.23 million, which is 17% of the turnover.

Infrabel is also responsible for the supply of electricity for the entire SNCB group. This means re invoicing other SNCB group entities for both traction energy and energy for buildings. The income from these activities amounted to €169.31 million in 2011.

Infrabel gets also other revenues from investments for third parties, mainly SNCB-Holding and SNCB, scrap sales, contractual fees and from other services provided.





## 2.2. Produced fixed assets

Each company has its own resources that it may use to construct tangible and intangible fixed assets, within the framework of its economic activities. These sustainable assets, investments made using internal resources, are referred to as “produced fixed assets”.

The charges for works carried out under the entity's own management are neutralised by posting a corresponding income, while the investments realised are put on the balance sheet.

The produced fixed assets amount to €274,211,853.31 in 2011.

## 2.3. Financial income

The financial income amounts to €409.17 million and mainly results from depreciation on the investment grants (€403.29 million). Furthermore, an amount of €5.82 million is generated from interest on the investments of the available treasury.

Amounts in €	
<b>IV. Financial income</b>	<b>409,167,057.96</b>
A. Income from financial fixed assets	13,342.50
B. Income from current assets	5,821,363.70
C. Investment grants and interest	403,290,676.45
D. Foreign currency conversion	41,675.31



## 2.4.

### Raw materials and consumables

The costs related to raw materials and consumables amount to €153.17 million and include €131.17 million for specific consumables and supplies for the railroad.

Amounts in €	
<b>II. Operating costs</b>	
<b>A. Raw materials and consumables</b>	<b>153,175,667.60</b>
1. Purchases	151,820,485.36
Rails	25,047,884.05
Ballast	10,220,498.01
Sleepers	24,261,119.34
Track accessories	6,074,434.74
Points	5,999,674.32
Overhead wires and cabling	1,101,594.83
Signalling equipment	50,919,339.91
Items for railway equipment	11,208,969.51
Other consumables	16,986,970.65
2. Variation in stocks	1,355,182.24
Variation in stocks of specific railway items	-3,661,296.90
Variation in stocks of other items	5,016,479.14

## 2.5.

### Services and other goods

Services and other goods amount to €1,238.04 million, including €724.08 million which are related to payroll charges.

Amounts in €	
<b>II. Operating costs</b>	
<b>B. Services and other goods</b>	<b>1,238,040,290.00</b>
Payroll charges	705,527,617.83
Other payroll charges	18,532,939.15
Energy for traction and buildings	181,790,585.91
Infrastructure maintenance	88,228,821.46
Rent of movable and immovable properties	63,095,633.44
Telecommunication and network costs	45,842,143.97
Costs of technical control, industrial processes and transport	30,448,659.59
Other services	104,573,888.65

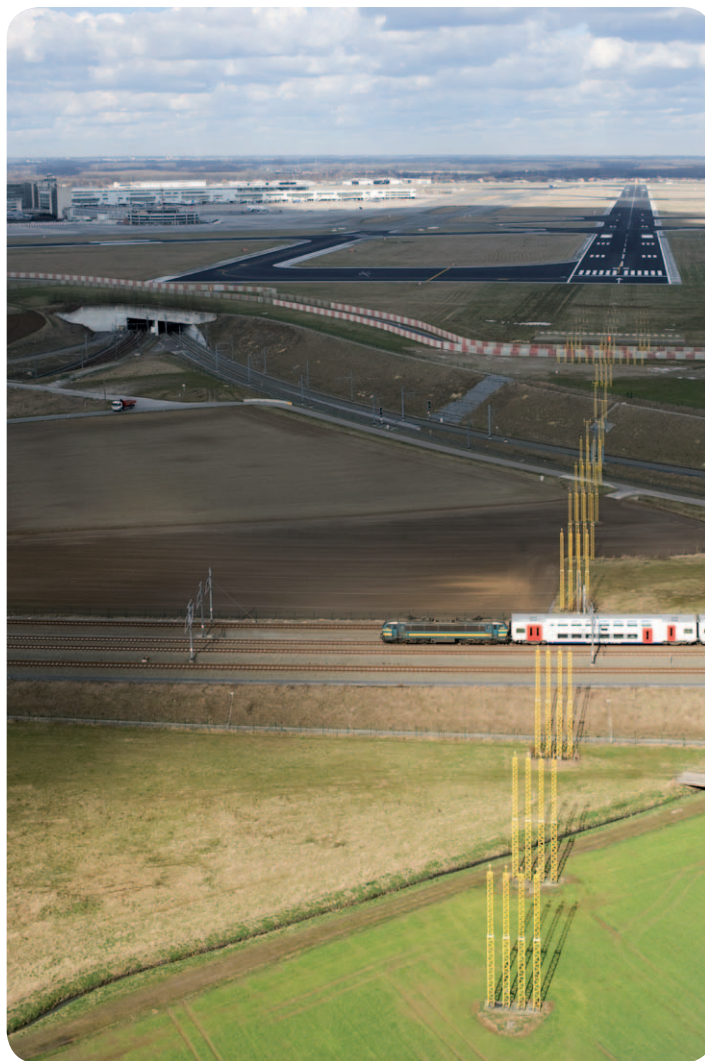
Within the SNCB Group, Infrabel is responsible for coordinating the electrical energy purchases for the entire group. These purchases involve both traction energy and energy for buildings. This amounts to €181.79 million in 2011.

## 2.6.

### Depreciation, impairments and provisions for liabilities and charges

Depreciation is posted on a monthly basis and commences on the first day of the month following that in which the fixed asset can be commissioned, in accordance with the approved valuation rules.

Depreciation of tangible and intangible fixed assets is largely compensated by the depreciation of the connected investment grants. The latter are accounted for as financial income.



#### Amounts in €

#### II. Operating costs

<b>D. Depreciation and impairments on formation expenses, tangible and intangible fixed assets</b>	<b>375,453,168.66</b>
Formation expenses	0.00
Concession fee	13,737,373.74
Other intangible fixed assets (mainly software)	8,010,283.06
Tangible fixed assets	353,705,511.86
<b>E. Impairments on stocks, contracts in progress and trade receivables</b>	<b>2,417,957.52</b>
<b>F. Provisions for liabilities and charges</b>	<b>2,197,669.38</b>



# 04



# Notes to the annual accounts

## 1. Statement of intangible fixed assets

Amounts in €	Concessions, patents, licenses, etc.
<b>A. Acquisition value</b>	
At the end of the previous financial year	1,455,705,324.03
Movements during the financial year	
Acquisitions, including produced fixed assets	26,165,614.52
Sales and disposals	-3,114,836.11
Transfer from one heading to another	-22,196.08
Situation at the end of the financial year	1,478,733,906.36
<b>C. Depreciation and impairments</b>	
Situation at the end of the financial year	82,424,242.42
Movements during the financial year	
Recorded	28,011,636.81
Write-backs	0.00
Acquisitions from third parties	
Sales and disposals	-3,114,836.11
Transfer from one heading to another	0.00
Situation at the end of the financial year	107,321,043.12
<b>D. Net book value at the end of the financial year</b>	<b>1,371,412,863.24</b>





## 2. Statement of tangible fixed assets

Amounts in €	Land and buildings	Plant, machinery and equipment	Furniture and vehicles
<b>A. Acquisition value</b>			
At the end of the previous financial year	3,961,636,385.18	9,399,342,867.13	120,869,313.55
Movements during the financial year			
Acquisition, including produced fixed assets	25,448,535.11	47,501,691.08	2,128,471.05
Sales and disposals	-10,766,292.68	-66,973,787.77	-3,685,874.56
Transfer from one heading to another	73,982,685.29	351,962,859.14	2,672,187.40
Situation at the end of the financial year	4,050,301,312.90	9,731,833,629.58	121,984,097.44
<b>C. Depreciation and impairments</b>			
At the end of the previous financial year	682,089,463.89	4,296,579,962.48	101,028,858.34
Movements during the financial year			
Recorded	56,655,475.95	326,885,502.40	5,099,957.35
Write-backs		-41,664.80	
Acquisitions from third parties			
Sales and disposals	-10,720,491.75	-66,953,679.56	-3,636,634.49
Transfer from one heading to another	-37,198,192.08	36,612,917.38	-284,031.54
Situation at the end of the financial year	690,826,256.01	4,593,083,037.90	102,208,149.66
<b>D. Net book value at the end of the financial year</b>	<b>3,359,475,056.89</b>	<b>5,138,750,591.68</b>	<b>19,775,947.78</b>

Amounts in €	Leasing and similar rights	Other tangible fixed assets	Assets under construction and advance payments
<b>A. Acquisition value</b>			
At the end of the previous financial year	32.92	102,816,391.64	3,665,109,844.13
Movements during the financial year			
Acquisition, including produced fixed assets		220,826.61	1,066,358,416.60
Sales and disposals		-13,427,387.86	
Transfer from one heading to another		7,378,176.00	-435,973,711.75
Situation at the end of the financial year	32.92	96,988,006.39	4,295,494,548.98
<b>B. Revaluation surpluses</b>			
At the end of the previous financial year	49,307,870.18		
Movements during the financial year			
Recorded			
Acquisitions from third parties	102,600,469.88		
Reversals			
Transfer from one heading to another			
Situation at the end of the financial year	151,908,340.06		
<b>C. Depreciation and impairments</b>			
At the end of the previous financial year	3,697,853.03	102,815,548.20	
Movements during the financial year			
Recorded	6,212,330.59	300,232.63	
Write-backs	-2,318,392.92		
Acquisitions from third parties	102,600,468.44		
Sales and disposals		-13,427,387.86	
Transfer from one heading to another		869,306.24	
Situation at the end of the financial year	110,192,259.14	90,557,699.21	
<b>D. Net book value at the end of the financial year</b>	<b>41,716,113.84</b>	<b>6,430,307.18</b>	<b>4,295,494,548.98</b>

### 3. Statement of financial fixed assets

Amounts in €	Affiliated companies	Companies linked by a shareholding interest	Other companies
<b>1. Shareholding interests</b>			
<b>A. Acquisition value</b>			
At the end of the previous financial year	3,284,093.42	10,000.00	10,750.00
Movements during the financial year			
Acquisitions			0.50
At the end of the financial year	3,284,093.42	10,000.00	10,750.50
<b>C. Impairments</b>			
At the end of the previous financial year	189,076.36		120.10
Movements during the financial year			
Write-backs	-189,076.36		
At the end of the financial year	0.00		120.10
<b>D. Uncalled amounts</b>			
At the end of the previous financial year		7,000.00	
Movements during the financial year			
Acquisitions			
At the end of the financial year		7,000.00	
<b>Net book value at the end of the financial year</b>	<b>3,284,093.42</b>	<b>3,000.00</b>	<b>10,630.40</b>
<b>2. Accounts receivable</b>			
Net book value at the end of the previous financial year	150,000.00		297.47
Movements during the financial year			
Additions			
Reimbursements	-150,000.00		
<b>Net book value at the end of the financial year</b>	<b>0.00</b>	<b>0.00</b>	<b>297.47</b>



## 4. Other investments and deposits

Amounts in €	
Fixed income securities issued by credit institutions	149,985,922.41
Other investments	333,915,000.00

## 5. Deferred charges and accrued income

Amounts in €	
<b>Deferred charges</b>	<b>8,400,293.88</b>
Anticipated payment of annual staff bonus	7,334,686.96
Advance payment for traction energy	465,000.00
Insurance premiums	589,421.71
Financial ratings	4,375.00
Other deferred costs	6,810.21
<b>Accrued income</b>	<b>47,353.66</b>
Interest	47,353.66

## 6. Statement of capital

	Amounts in €	Number of shares
<b>A. Capital</b>		
1. Issued capital		
At the end of the previous financial year	1,531,975,000.00	16,672,041
Changes during the financial year		
- Capital increases	43,817,098.63	51,606
- Transfer to investment grants	-56,817,098.63	
<b>At the end of the financial year</b>	<b>1,518,975,000.00</b>	<b>16,723,647</b>
2. Structure of the capital		
2.1. Categories of shares		
Registered shares without par value	1,518,975,000.00	16,723,647
<b>B. Unpaid capital</b>		
1. Uncalled capital	68,913,500.00	
Shareholders having yet to pay up in full -SNCB Holding	68,913,500.00	

## 7. Accrued charges and deferred income

Amounts in €	
<b>Accrued charges</b>	<b>83,314,265.58</b>
Holiday pay and staff bonus	83,157,537.04
Various	156,728.54
<b>Deferred income</b>	<b>109,783,708.37</b>
Infrastructure fee	109,783,708.37

## 8. Off balance sheet rights and commitments

Amounts in €	
<b>Important commitments for the purchase of fixed assets</b>	
- Investments in railway infrastructure	1,567,600,000.00
<b>Other important commitments</b>	
- Purchase of materials and provision of services	198,968,000.00

## 9. Relations with affiliated companies and companies linked by shareholding interests

Amounts in €	2010	2011
<b>Affiliated companies</b>		
1. Financial fixed assets	3,245,017.06	3,284,093.42
Investments	3,095,017.06	3,284,093.42
Accounts receivable: others	150,000.00	0.00
2. Accounts receivable	139,470,396.97	175,576,441.28
After more than one year	7,850,000.00	6,082,897.83
Within one year	131,620,396.97	169,493,543.45
3. Current investments	442,265,000.00	484,050,922.41
Accounts receivable	442,265,000.00	484,050,922.41
4. Accounts payable	300,306,655.93	449,916,221.43
After more than one year	19,499,333.51	17,640,903.12
Within one year	280,807,322.42	432,275,318.31
7. Financial results	708,328.84	1,053,262.24
Income from financial fixed assets	17,325.00	13,342.50
Income from current assets	2,009,368.84	1,802,897.98
Charges from interest and debts	-1,318,365.00	-762,978.24
<b>Companies linked by shareholding interests</b>		
1. Financial fixed assets	3,000.00	3,000.00
Investments	3,000.00	3,000.00

## 10. Social report

In 2011, Infrabel had a workforce of 11,992.7 employees expressed in average full-time equivalents. The entire staff is seconded by the SNCB-Holding, which plays the role of legal employer.



# 05



# Board of Auditors' Report on the financial statements for the year ended 31 December 2011



INFRABEL NV VAN PUBLIEK RECHT  
Marcel Broodthaersplein 2  
1060 SINT-GILLIS  
RPR : BE 0869.763.267

*TRANSLATION – The original of this report is in Dutch and in French*

## STATUTORY AUDITORS' REPORT TO THE GENERAL MEETING OF SHAREHOLDERS OF INFRABEL NV VAN PUBLIEK RECHT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

In accordance with the legal and statutory requirements, we report to you on the performance of the mandate of statutory auditor, which has been entrusted to us. This report contains our opinion on the true and fair view of the financial statements as well as the required additional statements and information.

### Unqualified audit opinion on the financial statements

We have audited the financial statements for the year ended 31 December 2011, prepared in accordance with the financial reporting framework applicable in Belgium as defined in the company code, and in accordance with the framework specific to the company as defined mainly in the law of 21 March 1991 and in the rules specific to railway companies, amongst which the Royal Decrees of 30 December 2004, the Program Law of 23 December 2009 and the law of 2 December 2011, which show a balance sheet total of EUR 15.386.461.218,17 and a loss for the year of EUR 5.985.710,91.

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises / Instituut van de Bedrijfsrevisoren*). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, whether due to fraud or error.

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In accordance with the above-mentioned auditing standards, we have implemented control procedures designed to obtain evidence supporting the amounts and disclosures included in the financial statements. The choice of these procedures is the result of our own judgement which includes the risk assessment whether the financial statements contain material misstatements, whether due to fraud or error..

In assessing the risk, we considered the company's internal control procedures regarding the preparation and the fair presentation of these financial statements in order to define the appropriate control procedures in the given circumstances, but not with the aim to express an opinion as to the effectiveness of the company's internal controls. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the company as well as the overall financial statement presentation. We have obtained from management and the company's officials, the explanations and information necessary for executing our audit procedures. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended 31 December 2011 give a true and fair view of the company's assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium and in accordance with the legal and regulatory framework specific to the company.

#### **Additional statements and information**

The preparation of the Director's report and its content, as well as the Company's compliance with the Company Code and its bylaws are the responsibility of management.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the financial statements:

- The Director's report includes the information required by law and is consistent with the financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the company is facing, and on its financial situation, its foreseeable evolution or the significant influence of certain facts on its future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium, and in accordance with the framework specific to the company.
- The consolidated financial statements and the report on the consolidated accounts were not yet established by the board of directors on date of this report, which is in violation with the requirements as stipulated in article 120 of the Company Code. There are no other transactions undertaken or decisions taken in violation of the company's statutes or the Company Code that we have to report to you. The appropriation of results proposed to the general meeting complies with the legal and statutory provisions.
- We want to draw attention to the lack of appropriate internal control procedures regarding regular reconciliation and follow-up of outstanding receivables and payables towards companies of the NMBS-group, and of revenues and expenses realized with these companies.



- Despite of numerous references to IAS/IFRS in the financial statements, we would like to emphasize that our mission is strictly limited to the verification of the financial statements in accordance with the financial and legal reporting framework applicable in Belgium and with the framework specific to the Company.

Brussels, April 27, 2012

The Statutory Auditors

Het Rekenhof / La Cour des Comptes  
Represented by

Rudi Moens  
Councillor at Het Rekenhof

Michel de Fays  
Councillor at La Cour des Comptes

The members of the Institute of Registered Auditors  
(Instituut van de Bedrijfsrevisoren / Institut des Réviseurs d'Entreprises)

Mazars bedrijfsrevisoren CVBA  
Represented by  
Philippe Gossart  
Registered Auditor

PKF bedrijfsrevisoren CVBA  
Represented by  
Ria Verheyen  
Registered Auditor

Because of the language legislation in Belgium, only the Dutch and French version of this document have been signed. Both reports can be consulted on our website [www.infrabel.be](http://www.infrabel.be).



06





# Corporate Governance

## Introduction

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This chapter, which must form an integral part of the 2011 Annual Report, is dedicated to what is usually called Corporate Governance. Its aim is to provide information about the company's internal regulations in the light of the principles of Corporate Governance.

### 1. Board of Directors

#### A. Composition

The Board of Directors is made up of 10 members, including the Chief Executive Officer. At least one-third of its members must be female (Article 207 §1 of the Act of 21 March 1991). A Royal Decree issued by His Majesty the King after deliberation in the Council of Ministers increased the number of Directors from 6 to 8 (Article 1 Royal Decree of 11 June 2009). The linguistic parity rule has been observed.

The Board is composed as follows:

- Mrs. Christine VANDERVEEREN, Chair of the Board
- Mr. Luc LALLEMAND, Chief Executive Officer
- Mr. Antoon COLPAERT\*, Director,
- Mr. Henry-Jean GATHON, Director,
- Mrs. Fabienne GORLLER\*, Director;
- Mr. Jan KERREMANS\*, Director
- Mrs. Maria VAN DE WIELE (Mieke OFFECIERS)\*, Director,
- Mr. Laurent VRIJDAGHS, Director.



#### Changes in 2010

There were no changes in 2011.

The mandate of the five non-executive members(\*) of the Board of Directors and of the CEO came to an end on 29 October 2010. In 2010 and 2011, the King did not appoint any new members to the Board of Directors. The 'retiring' members of the Board of Directors who were appointed by Royal Decree must, according to the principle of the continuity of public service, remain at their post pending the legal provision of new appointments. The mandate of Mr. COLPAERT, 'retiring' member appointed by SNCB Holding at the Infrabel General Shareholders' Meeting, was extended by SNCB Holding at the Infrabel General Shareholders' Meeting of 27 October 2010, effective 28 October 2010 at midnight, until an appointment of a Director for 6 years can be reasonably provided. No such appointment took place in 2011.

Main positions that were held outside Infrabel by non-executive directors in 2011

- Mrs. Christine VANDERVEEREN, Director, Legal Affairs, Dexia Bank Belgium S.A.;
- Mr. Antoon COLPAERT, Regional port commissioner - Ministry of the Flemish Community;
- Mr. Henry-Jean GATHON, professor at the University of Liege, HEC Management School, Department of Economics;
- Mrs. Fabienne GORLLER, Deputy Secretary charged with the Budget and the Secretariat of the Cabinet of the Minister of Compulsory Education and Social Promotion Marie-Dominique Simonet;
- Mr. Jan KERREMANS, District Commissioner of Turnhout (until reaching the age of retirement on 20/05/2011 - on 06/05/2011, the Government of Flanders granted honourable resignation to Mr. Jan KERREMANS as District Commissioner);
- Mrs. Maria VAN DE WIELE, General Manager of MDL bvba,
- Mr Laurent VRIJDAGHS, Administrator-General of the Buildings Agency.



## B. Appointment of the Directors

In accordance with article 207 of the Act of 21 March 1991, His Majesty the King, by Royal Decree deliberated on in the Council of Ministers, appoints a number of Directors proportional to the voting rights linked to the shares owned by the State. The other shareholders then appoint other directors.

Given that the Belgian State owns 80 % + 1 vote of the voting rights in Infrabel, 6 of the 8 members of the Board are appointed by the King, by Royal Decree deliberated on in the Council of Ministers. An independent selection committee of the General Shareholders' Meeting consisting of holders of class B shares (SNCB Holding) appointed two directors.

Directors are selected on the basis of the complementary nature of their skills in the field of finance and accounting, legal affairs, knowledge of the transport sector, expertise in mobility, human resources strategy and social relations.

The mandates of Mrs. VAN DE WIELE, GORLLER and Mr. KERREMANS, LALLEMAND and VRIJDAGHS expire as soon as the King appoints new Directors by Royal Decree deliberated on in the Council of Ministers and this Decree enters into force.

The mandate of Mr. COLPAERT, expires as soon as, after aforementioned Royal Decree, an independent selection committee of the General Shareholders' Meeting consisting of holders of class B shares appoint a new Director.

The mandates of Mrs. VANDERVEEREN and Mr. GATHON expire on 17 June 2015.

## C. Operation

### Frequency of meetings

"The Board shall meet at least six times a year" (Article 24 of the Articles of Association). The Board of Directors usually meets on the last Thursday of the month. Extraordinary meetings are held to discuss specific issues.

In 2011, the Board of Directors met 14 times. Additionally, one meeting took place by conference call.

### Competencies

The competencies of the Board have been laid down in Article 17 of the Act of 21 March 1991.

"§1. The Board of Directors is authorised to carry out all necessary or useful acts to realise the corporate objective of the public corporation.

The Board of Directors oversees the management exercised by the Management Committee. The Management Committee regularly reports to the Board.

The Board, or its Chairperson, without prejudice to the powers conferred upon him by Article 18 § 5 (of the Act of 21 March 1991), can at any moment request a report from the Management Committee concerning on certain activities of the company".

### Decision-making by the Board

*Quorum: "The Board of Directors can only hold valid deliberations and resolutions provided at least the majority of its members are present or represented. If this stipulation is not met, another meeting may be convened. A valid discussion and resolution by the Board of Directors on points of the agenda of the previous meeting requires the presence or representation of one-third of its members. Directors may take part in Board meetings via telephone conference calls or similar means of communication, enabling all those taking part in the meeting to hear each other simultaneously. Any person taking part in a meeting in accordance with § 2 shall be considered present at said meeting.*

*Any Director may give any other Director power of attorney, either in writing or by any other communication means leaving a material trace, to represent them at a given Board meeting and to vote on their behalf. A Director may only exercise the proxy vote of one other Director. Any proxy representation shall be considered as a presence when determining the quorum." (Article 26 of the Articles of Association).*

*Majority: "Resolutions of the Board of Directors are passed by simple majority of the votes cast. In deviating from the previous rule, the following resolutions of the Board are passed by a two-thirds majority of votes cast:*

- 1° Approval of the management contract between the State and the company, and any amendment thereof;*
- 2° Equity investments exceeding one of the limits set out in Article 13, § 2, first paragraph, of the aforementioned Act of 21 March 1991. In the event of a hung vote, the Chairperson or the Director replacing the Chairperson shall have the deciding vote." (Article 27 of the Articles of Association).*

*In the event of a hung vote, the Chairperson or the Director replacing the Chairperson shall have the deciding vote." (Article 27 of the Articles of Association).*

*"In extraordinary circumstances, when justified by the urgency of the matter and the interests of the company, resolutions of the Board of Directors may be made by the Directors' unanimous consent in writing, by their signatures affixed either to a single document or to several copies of the same document. The first paragraph does not apply to assessment of the annual financial statements, to the use of authorised capital or approval of the management contract between the State and the company, or any modification to that contract." (Article 28 of the Articles of Association).*

In 2011, the Board did not apply this method.

### Director's Charter

In order to assist the Directors in fulfilling their mission in accordance with the requirements of independence, competency, ethics and integrity, at its meeting of 25 November 2004 the Board adopted the **"Director's Charter"** as part of its internal bylaws.

The Charter is applicable to all members of the Infrabel Board of Directors as well as to any Director appointed by Infrabel in a company.

Under the terms of this Charter, in the exercise of their positions Directors undertake to:

1. Act independently under all circumstances;
2. Actively protect the interests of the company;
3. Ensure the efficient operation of the Board of Directors;
4. Protect the interests of all shareholders;
5. Take into account the legitimate expectations of all of the company's partners (the community, clients, executives, employees, suppliers and creditors);
6. Ensure that the company respects its obligations and commitments, and the laws, regulations and codes of good practice;
7. Avoid any conflict between direct or indirect personal interests and those of the company;
8. Avoid any improper use of information or insider trading;
9. Permanently develop his or her professional capacities;
10. Adhere to the spirit of the Charter.

### Board committees

In accordance with Articles 210 and 211 of the Act of 21 March 1991, the Board has established two committees, the Audit Committee and the Nominations and Remuneration Committee to assist and advise the Board in the fulfilment of its duties.



## 2. Audit Committee

The establishment of this Committee is laid down in Article 210 of the Act of 21 March 1991.

### A. Composition

The Committee consists of four Directors - excluding the Chief Executive Officer - appointed by the Board of Directors. There is linguistic parity.

The Committee is composed as follows:

- Mr. Laurent VRIJDAGHS, Chairperson of the Audit Committee
- Mr. Antoon COLPAERT
- Mrs. Maria VAN DE WIELE,
- Mr. Henry-Jean GATHON.

The Audit Committee may invite the Chief Executive Officer to attend its meetings in an advisory capacity. Government Commissioners also take part in Audit Committee meetings in an advisory capacity.

The Audit Committee may similarly invite any competent person to assist it in performing the tasks assigned to it by the Board of Directors.

### Changes in 2011

None

### B. Operation

#### Frequency of meetings

The Audit Committee meets at regular intervals, usually once every three months. The Chairperson of the Audit Committee may convene extraordinary meetings to enable the Audit Committee to perform its duties.

The Audit Committee met 6 times in 2011.

#### Powers

The Audit Committee executes the tasks entrusted to it by the Board of Directors. In addition, it is responsible for assisting the Board of Directors in examining all financial information, particularly the annual accounts, Annual Report and interim financial reports. The Committee also satisfies itself as to the reliability and integrity of financial reports regarding risk management.

At least fourteen days prior to the meeting at which the Board approves the annual financial statements, the Board submits the financial statements to the Audit Committee for examination.

The Audit Committee performs the tasks entrusted to it by the Board of Directors and carries out the following duties:

- Examining the financial information, inter alia the annual financial statements, and advising the Board of Directors on their findings;
- In cooperation with the College of Auditors and the head of Internal Audit I-IA, evaluating, supervising and issuing an opinion on the internal control system applied by Infrabel and on the related recommendations and findings formulated by the College of Auditors, as well as on the replies from the management;
- Examining and approving the audit programme drawn up by the head of Internal Audit;
- Examining the conclusions and main recommendations laid down in the audit reports; overseeing follow-up of those recommendations as well as implementation by management of the actions agreed with Internal Audit I-IA in response to the audit recommendations; requiring Internal Audit I-IA to report to the Management Committee in the event of any significant failings and/or delays in the implementation of these recommendations;
- Assessing the procedures for identifying, evaluating and managing the (financial, operational and other) risks to which Infrabel is exposed, ensuring the reliability and integrity of financial reports regarding risk management;
- Overseeing coordination of the activities of the Internal Audit, of work the Management has assigned to external consultants and of the work of the College of Auditors;
- Approving the structure of Infrabel's Internal Audit as well as the budget in respect of staff, staff training and material support;
- Submitting to the Board of Directors an argued opinion on the appointment and replacement of the head of Internal Audit at Infrabel after consulting the Nominations and Remuneration Committee; overseeing his/her independence and objectivity;
- Approving Infrabel's Internal Audit Charter and any subsequent revisions thereof;
- Submitting to the Board of Directors an argued opinion on the appointment or reappointment of Infrabel's auditors as well as on their fees;
- Verifying and drawing up any specific file that the Board of Directors may deem necessary.

### 3.

#### Nominations and remuneration committee

The creation of the Nominations and Remuneration Committee is laid down in Article 211 of the Act of 21 March 1991.

##### A. Composition

The Committee consists of four Directors, including the Chairperson of the Board, who chairs the Committee, and the Chief Executive Officer. There is linguistic parity.

The Committee is composed as follows:

- Mrs. Christine VANDERVEEREN, Chairperson of the Nominations and Remuneration Committee,
- Mr. Luc LALLEMAND
- Mr. Jan KERREMANS
- Mrs. Fabienne GORLLER.

##### Changes in 2011

None

##### B. Operation

##### Frequency of meetings

The Committee meets whenever company interests so require. It met 3 times in 2011.

##### Powers

The Committee gives its opinion on candidates put forward by the Chief Executive Officer for appointment of members to the Management Committee.

It submits proposals to the Board regarding remuneration and benefits provided to members of the Management Committee and senior executives. These matters are constantly monitored by the Board of Directors (Article 211 § 2 of the Act of 21 March 1991).

Furthermore, it performs the tasks entrusted to it by the Board of Directors.

### 4.

#### Attendance rates at meetings and remuneration of directors on an individual basis

Starting this financial year, this section will be included in Chapter 4, "Remuneration Report".



## 5. Management Committee

### A. Composition

Article 208 of the Act of 21 March 1991 stipulates that “the Management Committee is chaired by the Chief Executive Officer. The Board of Directors determines the number of other members of the Management Committee.”

Linguistic parity is observed in accordance with Article 16 of the Act of 21 March 1991.

In accordance with the law and with the Articles of Association, the Chief Executive Officer must be of a different linguistic background than the Chairperson of the Board of Directors (Article 207 § 4 of the Act of 21 March 1991).

The Management Committee is composed as follows:

- Mr. Luc LALLEMAND, Chief Executive Officer,
- Mr. Eddy CLEMENT, Director-General Network,
- Mr. Luc VANSTEENKISTE, Director-General Infrastructure,
- Mrs. Ann BILLIAU, Director-General Rail Access.

### Current rules for appointment and resignation

The Directors-General are appointed by the Board of Directors, following the recommendation of the Chief Executive Officer and after having consulted the Nominations and Remuneration Committee. They are dismissed by the Board of Directors (Article 208 of the Act of 21 March 1991).

### Changes in 2011

Effective as of 01/10/2011, Mr. Jean-Marie RAVIART – until this date Director-General Infrastructure – retired.

The Board of Directors of 08/09/2011 decided to appoint Mr. Luc VANSTEENKISTE to the position of Director-General Infrastructure effective as of 01/10/2011.

The Board of Directors of 04/10/2011 decided to appoint Mrs. Ann BILLIAU to the position of Director-General Rail Access and member of the Management Committee effective immediately.

Nothing has changed in 2011 as concerns the term of the mandates.

### B. Operation

#### Frequency of meetings

The Management Committee usually meets every week, normally on Tuesdays. In 2011, the Management Committee met 46 times.

#### Powers

In accordance with Article 208 of the Act of 21 March 1991, “The Management Committee is responsible for the day-to-day management of the company and for the representation of that management, and also for executing the decisions of the Board of Directors.

The members of the Management Committee constitute a college. They may allocate tasks among themselves.”

### Representation

In accordance with Article 208 of the Act of 21 March 1991, the company is duly represented in its actions, including any legal proceedings, by the Director-General appointed for that purpose by the Board of Directors and the Chief Executive Officer, acting conjointly.

Any acts of management or acts which are binding upon the company are jointly signed by the Chief Executive Officer and the Director-General appointed for that purpose by the Board of Directors.

This Director must have a different linguistic background than the Chief Executive Officer.

By Royal Decree deliberated on in the Council of Ministers, His Majesty the King may determine any acts that require different approval than set out in this article.

On 8 November 2004 and 28 October 2010, the Board of Directors appointed Mr. Luc VANSTEENKISTE as Director-General holding the power of joint signature.

### C. Remuneration of Management Committee members

Starting this financial year, this section will be included in Chapter 4, “Remuneration Report”.



## 6. Audits

### A. Government Commissioners

Article 213 of the Act of 21 March 1991 specifies: "Infrabel is subject to the supervision of the competent Minister for public companies and of the competent Minister for regulation of rail transport. This supervision is carried out by two Government Commissioners who are appointed and dismissed by the King upon recommendation from the Minister involved."

The Government Commissioners are invited to all meetings of the Board of Directors and of the Management Committee and attend in a consultative capacity (Article 213 § 3 of the Act of 21 March 1991). The Government Commissioners also attend, in a consultative capacity, the meetings of the Audit Committee (Article 210 § 1 of the Act of 21 March 1991).

The Government Commissioners ensure compliance with the law, with the Articles of Association and with the management contract. They ensure that Infrabel's policy, particularly in execution of Article 13, does not prejudice the implementation of public service missions.

Each Government Commissioner reports to the Minister to whom they are responsible. The Government Commissioners report to the Budget Minister on all decisions from the Board of Directors or the Management Committee that have an impact on the general spending budget of the State.

Each Government Commissioner may, within a period of four working days, exercise a right of recourse to the minister to whom they are responsible in opposition to any decision from the Board of Directors or the Management Committee that they consider to be in breach of the law or of the company's Articles of Association or management contract, or of a nature to prejudice the implementation of Infrabel's public service missions. Each Government Commissioner may, within the same period, exercise the same recourse against any decision to increase the fees payable for the use of the rail infrastructure. All such decisions are suspended while the recourse procedure is under way.

By Royal Decree of 4 July 2008, Mr. Rik GOETINK and his substitute Mrs. Veerle STRAETMANS were appointed as Government Commissioner to Infrabel as from 1 August 2008.

By Royal Decree of 9 July 2008, Mr. Eric PONCIN and his substitute Mr. Michel BALON were appointed Government Commissioner to Infrabel as from 1 August 2008.

Mrs. Veerle STRAETMANS, on 13/12/2011, requested honourable resignation as substitute Government Commissioner to Infrabel by registered letter to the new minister of public companies.

### B. Board of Auditors

Article 25 § of the Act of 21 March 1991 specifies: "The audit of the financial situation, of the annual financial statements and of regularity, from the viewpoint of the law and the organic statute, of the activities to be recorded in the annual financial statements, shall in each autonomous public company be delegated to a College of Auditors numbering four members. The members of the College bear the title of Auditor."

The College is composed of four members, two of whom are appointed by the Cour des Comptes (National Audit Office) from among its members, and two of whom are appointed by the General Shareholders' Meeting from among the members of the Institut des Réviseurs d'Entreprises (Institute of Company Auditors).

The following mandates have expired:

- For Mr. VAN IMPE, at the General Shareholders' Meeting of 18/05/2011,
- For Mr. DELBROUCK, at the General Shareholders' Meeting of 18/05/2011.

A public procurement contract was launched for appointment of company auditors. On 23 December 2010, the Audit Committee and the Board of Directors formulated a proposal for appointment of company auditors for the statutory and consolidated accounts.

The General Shareholders' Meeting of 18/05/2011 appointed PKF Company Auditors CVBA and Mazars Réviseurs d'entreprises SCRL to carry out the mandate of Infrabel's College of Auditors during a term of 3 years, renewable one time.

The General Shareholders' Meeting of 18/05/2011 acknowledged the decision of the Audit Office's General Shareholders' Meeting of 10 November 2010 to appoint Mr. Michel de Fays and Mr. Rudy Moens, councillors to the Audit Office, to members of the College of Auditors at Infrabel, effective 12 October 2010 for a renewable term of three years.

The members of the College are:

- The company Mazars Réviseurs d'entreprises SCRL (Mazars Company Auditors), represented by Mr. Philippe GOSSART,
- The company PKF Bedrijfsrevisoren CVBA (PFK Company Auditors), represented by Mrs. Ria VERHEYEN,
- Mr. Michel DE FAYS and Mr. Rudy MOENS, councillors to the Audit Office,





## 7.

### Offices held in subsidiaries and companies with shareholding interests

#### A. Companies in which members of management bodies or employees of Infrabel have served as corporate officers (indirect or direct participations)

Infrabel has two direct subsidiaries: TUC RAIL S.A. and BRUSSELS CREOSOTE CENTRE S.A. (abbreviated CCB). Infrabel has direct participations in the GEIE Corridor C, CBVA Greensky (established 15 July 2009) and CVBA SPS Fin (established 24 April 2009, shares purchased by Infrabel on 27 April 2009). Infrabel also has indirect participations in Woodprotect Belgium S.A. and in BRUSSELS WOOD RENEWABLE S.A. (established 22 December 2009) - subsidiaries of CCB S.A. - and in EEIG IV-Infra/TUC, a subsidiary of TUC RAIL S.A. In each of these companies, the offices are held by members of Infrabel's management structures or by its employees.

#### B. Members of management structures or employees of Infrabel serving as corporate officers

- Mr. Luc LALLEMAND, Chairperson of TUC RAIL;
- Mr. Eddy CLEMENT, Director of TUC RAIL;
- Mr. Jean-Marie RAVIART, Chairperson of CCB and Woodprotect, Director of TUC RAIL, Chairperson of BRUSSELS WOOD RENEWABLE;
- Mr. Luc VANSTEENKISTE, Director of TUC RAIL, Chairperson of RNE;
- Mrs. Ann BILLIAU, Director of TUC RAIL
- Mr. Dirk DEMUYNCK, CEO of TUC RAIL;
- Mr. Ivan THIELEMANS, Director of TUC RAIL
- Mr. Franky VERBRUGGEN, Director of CCB and Woodprotect;
- Mr. Richard MARCELIS, Director of CCB, Woodprotect, BRUSSELS WOOD RENEWABLE, Greensky and of SPS-FIN;
- Mr. Dirk VANOOTEHEM, Director EEIG Iv-Infra/TUC RAIL;
- Mr. Jan MILH, Director EEIG Iv-Infra/TUC RAIL.

#### C. Remunerations

No compensation is paid to Directors.

The general gross amount paid to the Chief Executive Officer of TUC RAIL for 2011 can be found in the Annual Report of TUC RAIL S.A.

The Chief Executive Officer of CCB and Woodprotect receives no compensation in respect of this office.





# 07



# Remuneration report

## Introduction

Article 17, § 4 of the law of 21 March 1991 specifies that the Remuneration Committee shall prepare an annual Remuneration Report which will be included in the Management Report.

Said report shall contain the information as included in the report referred to in article 96, § 3, of the Belgian Company Code. For the members of the management bodies, the information stated in article 96, § 3, of the same Code, as applicable to companies whose shares

are admitted to trading on a regulated market in the meaning of article 2, 3°, of the law of 2 August 2002 on supervision of the financial industry and financial services, must be submitted mutatis mutandis.

This Remuneration Report that was formerly integrated into the Corporate Governance chapter of the Annual Report has now been included in a separate chapter.

This Remuneration Report contains the following elements:

Section 1	Description of the procedure for development of a remuneration policy and for determination of the remuneration as applied during the financial year reviewed in the Annual Report	Article 96, § 3, subsection 2, 1° of the Belgian Company Code
Section 2a	Statement concerning the remuneration policy as applied during the financial year reviewed in the Annual Report	Article 96, § 3, subsection 2, 2° of the Belgian Company Code
Section 2b	Recovery provisions	Article 96, § 3, subsection 2, 11° of the Belgian Company Code
Section 3	Remuneration of Directors and other financial benefits of non-executive Directors and executive managers in their capacity as members of the Board for the financial year reviewed in the Annual Report	Article 96, § 3, subsection 2, 3°- 4° of the Belgian Company Code
Section 4	Assessment criteria for the compensation of the executive managers based on performance	Art. 96, § 3, 2e alinéa, 5° Code des Sociétés
Section 5a	Remuneration of the CEO for the financial year reviewed in the Annual Report	Article 96, § 3, subsection 2, 5° of the Belgian Company Code
Section 5b	Long-term cash bonus paid to the CEO for the financial year reviewed in the Annual Report	Article 96, § 3, subsection 2, 6° of the Belgian Company Code
Section 6a	On a global basis and for the financial year reviewed in the Annual Report: the remuneration of the other members of the executive management	Article 96, § 3, subsection 2, 7° of the Belgian Company Code



Section 6b	On a global basis, the long-term cash payments for the financial year reviewed in the Annual Report, made to the other members of the executive management (excluding the CEO)	Article 96, § 3, subsection 2, 7° of the Belgian Company Code
Section 7a	On an individual basis: The number and key characteristics of the shares granted to the various executive managers (including the CEO) during the reported year	Article 96, § 3, subsection 2, 8° of the Belgian Company Code
Section 7b	On an individual basis: The number and key characteristics of the share options or other rights granted to the various executive managers (including the CEO) during the financial year	Article 96, § 3, subsection 2, 8° of the Belgian Company Code
Section 7c	On an individual basis: The number and key characteristics of the exercised or cancelled share options or other rights of the various executive managers (including the CEO) during the financial year	Article 96, § 3, subsection 2, 8° of the Belgian Company Code
Section 8a	On an individual basis: The key provisions of the contractual relationship concerning severance payment with the CEO and each of the other executive managers	Article 96, § 3, subsection 2, 9° of the Belgian Company Code
Section 8b	Arguments and decision of the Board of Directors with respect to severance payment	Article 96, § 3, subsection 2, 10° of the Belgian Company Code

### **Section 1**

***Description of the procedure, applied during the financial year reviewed in the Annual Report, for developing a remuneration policy for the Directors, the members of the Management Committee, the other leaders and the persons charged with the company's day-to-day management, and***

***for determining the remuneration of individual directors, members of the Management Committee, other leaders and persons charged with the company's day-to-day management (article 96, § 3, subsection 2, 1° of the Belgian Company Code)***





## Board of Directors

The applied procedure is in keeping with the procedure prescribed by article 22 of the Articles of Association:

“The General Assembly determines the remuneration of the members of the Board of Directors pursuant to the proposal of the Nomination and Remuneration Committee. ...”

## Management Committee

The applied procedure is in keeping with article 211, § 2, 2 of the law of 21 March 1991 on the reform of some economic public enterprises:

“The Board of Directors, pursuant to the proposal submitted by the Nominations and Remuneration Committee, determines the remuneration and the benefits granted to the members of the Management Committee and the senior officers. The Board continuously monitors these issues.”

Since the year 2005 the remuneration policy for the CEO and the members of the Management Committee has remained unchanged.

The procedure for developing a remuneration policy, as approved by the Board of Directors of 27 January 2005, comprised the following:

- Proposal from the HR Management of SNCB Holding;
- Approval by the Board of Directors of SNCB Holding;
- Study of the proposal carried out by the Nominations and Remuneration Committee of Infrabel, who issued unanimous, positive advice
- Decision of the Board of Directors of Infrabel on 27 January 2005

### Section 2a

**Statement concerning the remuneration policy as applied during the financial year reviewed in the Annual Report - Article 96, § 3, subsection 2, 2° of the Belgian Company Code**

## Board of Directors

Pursuant to the recommendation of the Nominations and Remuneration Committee, the General Shareholders' Meeting of 16 May 2006 has decided to change the remuneration of the Directors with retroactive effect to 1 January 2006 as follows:

The compensation paid to the Chairperson is composed of a fixed annual component of €27 200 and a variable component consisting of attendance fees. The attendance fees amount to:

- €500 per Board meeting;
- €400 per Committee meeting attending.

In addition, the Chairperson receives an annual fee covering operating expenses of €2 400.

The compensation paid to other Directors (with the exception of the Chief Executive Officer) is composed of a fixed annual component of €13 600 and a variable component consisting of attendance fees. The

attendance fees amount to:

- €500 per Board meeting;
- €400 per meeting of the other Committees.

In addition, they receive an annual fee covering operating expenses of €1 200.

Attendance at meetings is required to qualify for attendance fees.

## Management Committee

The Board meeting of 27 January 2005 determined the remuneration of members of the Management Committee.

The remuneration system comprises:

1. A fixed component, i.e. :

- Base salary;
- A monthly management allowance;
- A monthly lump sum indemnity;

2. A variable component, i.e. :

- The indemnity: 0 to 100% of the base annual salary. Pursuant to the proposal of the CEO, the Nominations and Remuneration Committee determines the percentage payable in accordance with the degree of difficulty and corporate complexity of the position. The percentage is reviewed annually;
- The productivity bonus: variable according to an assessment coefficient between 0 and 3. The productivity bonus is established annually after adoption by the Board of Directors of the company's results.

On average, the variable component represents approximately 30% of the total remuneration.

Holiday pay, annual bonus and any other allowances and compensations are determined according to the applicable regulatory provisions defined for the SNCB Group by SNCB Holding.

**Information about the remuneration policy for the next two financial years** (article 96, § 3, subsection 2, 2° d) of the Belgian Company Code)

As regards the information to be submitted, no new elements are currently foreseen for the next two financial years that might change the remuneration policy.

However, taking consideration of other legal provisions regarding the independence of the infrastructure manager, either according to Belgian law or to European law, developments in the next two financial years cannot be ruled out completely. This applies both to the set-up of a remuneration policy for the management bodies and to its contents.

### Section 2b

**Recovery provisions - Article 96, § 3, subsection 2, 11° of the Belgian Company Code**

The “Administrative and financial status of the Directors-General of Infrabel” adopted by the Board of Directors on 27 January 2005 does not contain any provisions about the right of recovery of the variable remuneration from the members of the Management Committee in favour of the Company in the event that said remuneration was granted based on incorrect financial data.

### **Section 3**

**Remuneration of Directors and other financial benefits of non-executive Directors and executive managers in their capacity as members of the Board for the financial year reviewed in the Annual Report - Art. 96, § 3, subsection 2, 3°- 4° of the Belgian Company Code**



Name	Attendance at meetings of Infrabel's Board of Directors and Committees			Director's gross remuneration
	Board (14 in total)	Audit Committee (6 in total)	Nominations and Remuneration Committee (3 in total)	Board and other Committee meetings (€)
Christine Vanderveeren	14/14		3/3	<b>37,900.04</b>
Antoon Colpaert	14/14	6/6		<b>24,699.96</b>
Fabienne Gorller	14/14		3/3	<b>23,099.96</b>
Henry-Jean Gathon	14/14	6/6		<b>24,699.96</b>
Jan Kerremans	13/14		3/3	<b>22,599.96</b>
Mieke Offeciers	13/14	5/6		<b>23,799.96</b>
Laurent Vrijdaghs	14/14	6/6		<b>24,699.96</b>

The annual remuneration and attendance fees are paid exclusively to the non-executive directors. In his capacity as member of the Board of Directors, the CEO does not receive compensation.

### **Section 4**

**Assessment criteria for the remuneration of the executive managers based on performance Article 96, § 3, subsection 2, 5° of the Belgian Company Code**

In its meeting of 28 May 2009, pursuant to the proposal of the Nominations and Remuneration Committee submitted in its meeting of 11 May 2009, the Board of Directors approved the introduction of the principles of performance management for the CEO and the Directors-General and subsequently for the executive officers. The Board deemed it appropriate to first gather experience and carry out sensibility tests, after which over time, the system can be evaluated and modified.

In the scope of performance management, in its meeting of 8 July 2010 the Board of Directors defined the assessment criteria and the related effective targets and minimum and maximum amounts. These objective scores are used to calculate the variable remuneration.

For the 2011 financial year, performance management is applied for

determining the variable remuneration of the CEO (N) and de Directors-General (N-1). Performance management is partly introduced for senior officers (N-2).

In its meeting of 8 September 2011 and pursuant to positive advice from the Nominations and Remuneration Committee, the Board of Directors has adopted the 2011 targets as submitted to the meeting of the Board of Directors of 8 June 2011.

The objective assessment is based on the company results, categorised into six broad sub areas.

The weight assigned to each sub area differs for the CEO and the individual Directors-General and depends on its importance for the position in question.

	CEO	Directors-General
1. Safety	20 %	between 20% and 30%
2. Punctuality	20 %	between 13% and 25%
3. Financial results	15 %	between 5% and 20%
4. Implementation of investments	5 %	between 2% and 17%
5. Implementation of the strategic plan BRIO	5 %	between 5% and 8%
6. Implementation of the management contract	15 %	between 5% and 10%
SUBTOTAL	80 %	80%
Individual assessment	20 %	20%
TOTAL	100 %	100%

The performance management principles as introduced for the Management Committee in 2009, are gradually applied to the lower levels.

#### **Section 5a**

**Remuneration of the CEO during the financial year reviewed in the Annual Report** - Article 96, § 3, subsection 2, 6° of the Belgian Company Code.

#### **Section 5b**

**Long-term cash bonus paid to the CEO for the financial year reviewed in the Annual Report** - Article 96, § 3, subsection 2, 6° of the Belgian Company Code



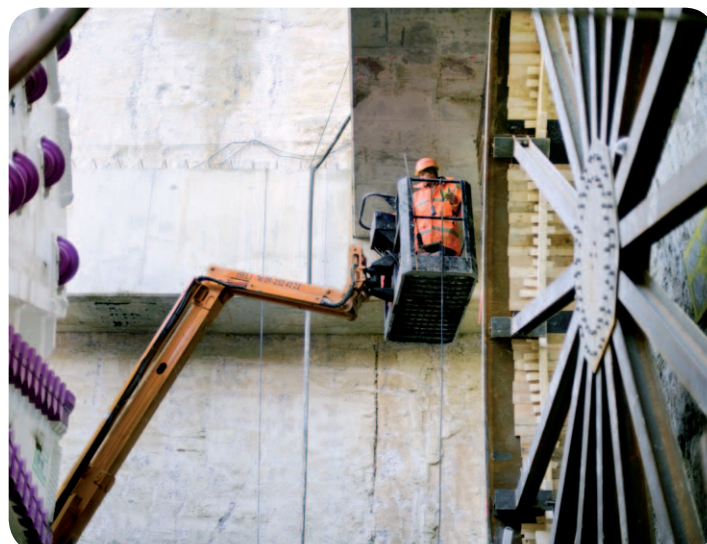
Name	Luc LALLEMAND
Statute	The provisions of article 209 of the law of 21 March 1991 for the members of the Management Committee also apply to the CEO.
Fixed remuneration	€ 368,851.31 gross base salary (including holiday allowance)
Variable remuneration	€108,096.69  This variable remuneration refers to the 2010 financial year and was paid in June 2011. The variable remuneration for the financial year 2011 has yet to be determined and will be paid in financial year 2012.
TOTAL	€ 477,948.00 gross salary
Pension	<p>An additional pension is not provided. Group insurance is not provided either.</p> <p>In the event of retirement or death during or after service, the salary which serves as the basis for calculating the private pension (or survivor's pension) of the person who is holding or has held the position of CEO, will be determined as follows: in the month prior to the retirement or in the month of the death while in service, a salary will be allocated that takes account of the duration of the service, both in the lower positions and in that of CEO, and that consequently comprises the sum of two separate amounts:</p> <ol style="list-style-type: none"> <li>An amount based on the last annual salary level achieved in the lower position by the person involved at the moment of his/her retirement (or death while in service), multiplied by a fraction whose denominator represents the total number of years in service and whose numerator represents the services, not taking account of the services rendered as a Director-General;</li> <li>An amount based on the last annual salary received by the person involved in their position as CEO, multiplied by a fraction whose denominator represents the number of years in service and whose numerator represents the years served as CEO.</li> </ol>
Other benefits	Company car at a benefit in kind value of €2,239.68
Long-term cash bonus paid to the CEO for the financial year reviewed in the Annual Report	None

### **Section 6a**

***On a global basis and relating to the financial year reviewed in the Annual Report: the remuneration of the other members of the executive management*** - Article 96, § 3, subsection 2, 7° of the Belgian Company Code.

### **Section 6b**

***On a global basis, the long-term cash payments relating to the financial year reviewed in the Annual Report, made to the other members of the executive management (excluding the CEO)*** - Article 96, § 3, subsection 2, 7° of the Belgian Company Code



All the members of the Management Committee with the exception of the CEO	
Statute	<ul style="list-style-type: none"> <li>- In accordance with article 209 of the law of 21 March 1991, in view of the performance of their mandate as Director-General the members of the Management Committee on leave receive no remuneration but retain their rights of promotion and their pension rights. Their status is laid down in a separate agreement.</li> <li>- In accordance with the HR rules defined for the SNCB Group by SNCB Holding, the members retain their scale and are assigned the position of Director-General.</li> </ul>
Fixed remuneration	€ 776,390.38 gross base salary (including holiday allowance)
Variable remuneration	<p>€ 195,312.42</p> <p>This variable remuneration refers to the 2010 financial year and was paid in June 2011. The variable remuneration for the financial year 2011 has yet to be determined and will be paid in financial year 2012</p>
TOTAL	€ 986,043.75 gross salary
Pension	<p>An additional pension is not provided. Group insurance is not provided either.</p> <p>In the event of retirement or death during or after performance of the mandate, the salary which serves as the basis for calculating the private pension (or the survivor's pension) of the person who is holding or has held the position of Director-General, will be determined as follows: in the month prior to the retirement or in the month of the death while in service, a salary will be allocated that takes account of the duration of the service, both in the lower positions and in that of Director-General, and that consequently comprises the sum of two separate amounts:</p> <ol style="list-style-type: none"> <li>An amount calculated on the basis of the last annual salary level achieved in the lower position by the person involved at the moment of his/her retirement (or death while in service), multiplied by a fraction whose denominator represents the total number of years in service and whose numerator represents the services, not taking account of the services rendered as a Director-General;</li> <li>An amount calculated on the basis of the last annual salary received by the person involved as a Director-General, multiplied by a fraction whose denominator represents the number of years in service and whose numerator represents the years served as a Director-General.</li> </ol>
Other benefits	Company car at a benefit in kind value of €8,737.57
Long-term cash bonus	None

#### **Section 7a**

***Number and key characteristics of the shares, share options or other rights granted to the various executive managers (including the CEO) during the reported year - Article 96, § 3, subsection 2, 8° of the Belgian Company Code.***

#### **Section 7b**

***On an individual basis:***

***Number and key characteristics of the share options or other rights granted to the various executive managers (including the CEO) during the financial year - Article 96, § 3, subsection 2, 8° of the Belgian Company Code***

#### **Section 7c**

***On an individual basis:***

***The number and key characteristics of the exercised or cancelled share options or other rights of the various executive managers (including the CEO) during the financial year - Article 96, § 3, subsection 2, 8° of the Belgian Company Code. (met inbegrip van de CEO) - Art. 96, § 3, 2de lid, 8° W.Venn.***

No shares, share options or other rights are granted.

Consequently, no share options or other rights of the various executive managers were exercised or expired during the financial year.



### **Section 8a**

#### ***On an individual basis:***

***The key provisions of the contractual relationship concerning severance payment with the CEO and each of the other executive managers - Article 96, § 3, subsection 2, 9° of the Belgian Company Code.***

### **Section 8b**

***Arguments and decision of the Board of Directors with respect to severance payment - Art. 96, § 3, subsection 2, 10° of the Belgian Company Code.***

In accordance with the provisions laid down by SNCB Holding for the SNCB Group, the Board has on 27 January 2005 determined the following severance arrangement for the members of the Management Committee:

- In the event of resignation during the term of office or if the term of office is not renewed, the person involved shall be downgraded to the position of Director if the current position is that of Director-General, and to the position of Director-General if the current position is that of CEO; remuneration will be in keeping with the financial provisions attached to the new scale.
- In the event of termination of the term of office before its normal expiry date as a result of dismissal by the Board of Directors, and unless deemed unfounded by the Board of Directors in view of the disciplinary rules and jurisprudence applied by SNCB Holding to the SNCB Group, the person concerned will retain the financial conditions attached to the position of Director-General or CEO up to the normal expiry date of the term office and thereupon will be downgraded to the scale of Director or Director-General, respectively, and receive the corresponding remuneration.

Drawn up in Brussels on 26 April 2012.

On behalf of the Board of Directors,

**Christine Vanderveeren**  
Chair of the Board of Directors

**LucALLEmand**  
Chief Executive Officer