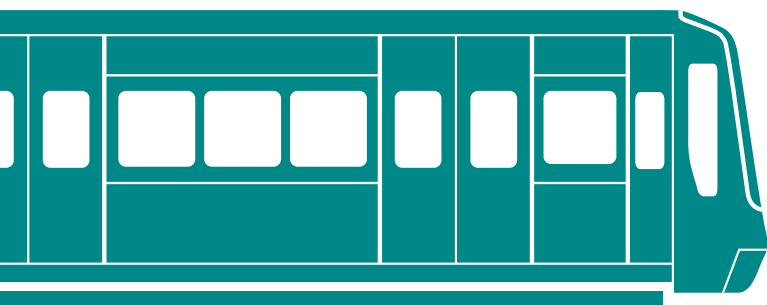
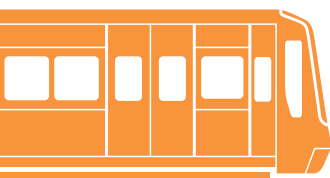
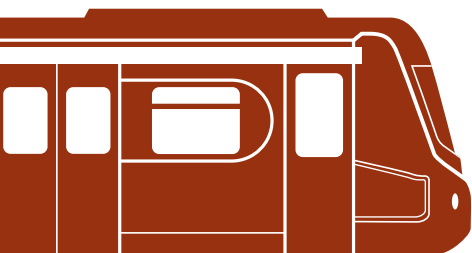
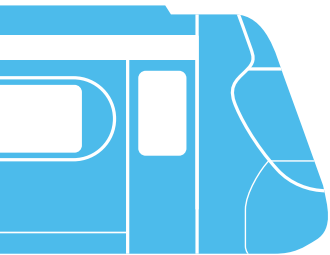
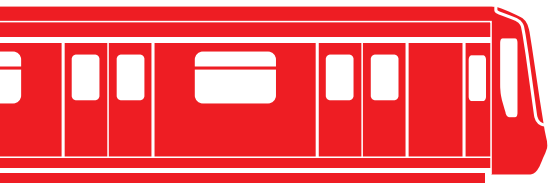




MTR
MTR
MTR

MTR



Building on Service Quality

A Broader, More Efficient Network



MTR Corporation is the leading public transport operator in Hong Kong.

Hong Kong Railway Operations

Total fare revenue for the Company in 2008 increased by 61.2% to HK\$11,467 million, largely due to increased patronage as a result of the Rail Merger. Such fare revenue also represents a slight decrease of 0.3% over the combined fare revenue of the rail and bus services of MTR Corporation and pre-merger KCRC in 2007 due to the fare reduction as a result of the Rail Merger.

The Rail Merger

The integration of the rail operations of ex-MTR and ex-KCRC has progressed well since the Rail Merger date on 2 December 2007. In 2008, the two key focuses were achievement of synergies and completion of the “Day 2” changeover.

We are continuing to achieve merger synergies through continuous efforts on energy optimisation, development of combined procurement to create scale, revenue maximisation resulting from the expanded network and staff cost rationalisation. We are confident of reaching the target synergy of HK\$450 million per annum that we have indicated would take three years to realise following the Rail Merger.

The “Day 2” changeover began with the trial for the Integrated Single Journey Ticket Automatic Fare Collection (AFC) System, which was launched on 28 September. Single journey ticket passengers were able to enjoy reduced fares and travel within the whole MTR network using only one ticket, with the interchange ticket gates remaining in place when such passengers interchanged between the pre-merger MTR and pre-merger KCR systems at Kowloon Tong, Mei Foo and Nam Cheong stations. Also on 28 September, the Student Concessionary Fare promotion, which enables eligible students to enjoy fare concessions of up to 50% off normal fares, was extended to cover the domestic service of East Rail, West Rail and Ma On Shan lines, Light Rail and MTR Bus (except Airport Express, journeys to or from Lo Wu and Lok Ma Chau stations and travel on first class of East Rail Line). Seven wall openings were created on the platform level of Nam Cheong Station to facilitate a convenient new cross-platform interchange for passengers from Hong Kong bound Tung Chung Line trains to the Tuen Mun bound West Rail Line. To ensure smooth integration of the two different Single Journey AFC systems, more than 150,000 regularly used fare combinations were used to test software applications to confirm that proper fares were deducted.

With the successful completion of the trial, the progressive removal of 100 interchange ticket gates at the three interchange stations was completed by 10 November 2008. More than 150 Customer Service Ambassadors wearing yellow T-shirts were readily available to assist passengers to adapt to changes in the station layout at Kowloon Tong, Mei Foo and Nam Cheong stations. The successful completion of the “Day 2” changeover marked a key milestone in the final chapter of the Rail Merger.

**42.7% Share of Franchised
Public Transport Market**

in December 2008

**3.5 Million
Average Weekday Patronage**

For Domestic Services in 2008

HK\$7.72 Average Fare

Per Passenger for All Services in 2008

HK\$4.02 Operating Costs

Per Passenger for All Services in 2008

**99.9% Passenger
Journeys On Time**





Patronage

For the year as a whole, total patronage on the Integrated MTR System increased by 56.6% to 1,485.1 million as compared to last year, due mainly to the Rail Merger. On a "like for like" basis such passenger numbers would have increased by 3.6% when compared with combined rail and bus patronage numbers of MTR Corporation and pre-merger KCRC in 2007 (Comparable Combined Patronage).

Our Domestic Service, which includes the MTR Lines (comprising the Kwun Tong, Tsuen Wan, Island, Tung Chung, Tseung Kwan O and Disneyland Resort lines) and the KCR Lines (comprising the East Rail excluding Cross-boundary Service, West Rail and Ma On Shan lines), recorded total patronage of 1,205.4 million for 2008, an increase of 31.6% when compared with 2007. Comparable Combined Patronage increased 4%, mainly due to the fare reduction implemented on the Rail Merger Day as well as the added convenience in the integrated rail system.

For the Cross-boundary Service at Lo Wu and Lok Ma Chau, patronage was 93.4 million for 2008, representing an increase of 1.4% increase when compared with full year Cross-boundary Service patronage in 2007 as a result of the growth in cross-boundary traffic.

Passengers using the Airport Express rose 4.2% to 10.6 million in 2008 due to an increase in air travellers using Airport Express to the Airport despite a slight drop in air passengers coupled with more passengers going to and from the AsiaWorld-Expo.

Passenger volume on Light Rail, Bus and Intercity was 175.6 million in 2008, an increase of 2.5% when compared with full year patronage of such services in 2007.

Overall, average weekday patronage for all rail and bus passenger services on the Integrated MTR System was 4.3 million in 2008, an increase of 4.1% over the equivalent Comparable Combined Patronage. Average weekday patronage for the Domestic Service in 2008 was 3.5 million, representing a rise of 4.4% over the equivalent Comparable Combined Patronage.

Our overall share of the franchised public transport market rose from 41.6% for December 2007 after the Rail Merger to 42.7% for December 2008. Our share of cross-harbour traffic rose to 63.6% from 62.5% in 2007 and our share of traffic to and from the airport rose to 24% from 23% in 2007. However our market share in the Cross-boundary business declined to 56.2% from 57.0% in 2007 due to continued strong competition.

Fare Revenue

Total fare revenue in 2008 was HK\$11,467 million, an increase of 61.2% over 2007 due to the Rail Merger. However, such fare revenue also represents a slight decrease of 0.3% over the combined fare revenue of the rail and bus services of MTR Corporation and pre-merger KCRC in 2007 due to fare reductions given on the Rail Merger Day.

Fare revenue in 2008 of the Domestic Service was HK\$7,930 million, an increase of 27.6% over last year because of the Rail



Airport Express continues to attract new passengers.

Merger. However, compared with the combined fare revenue of MTR Lines and KCR Lines in 2007 (Combined Fare Revenue), there was a slight decline of 1.0% mainly as a result of the fare reduction implemented on the Rail Merger Day, which was partly offset by the increased patronage mentioned above. Fare revenue contribution from the Cross-boundary Service in 2008 was HK\$2,283 million, an increase of 1.2% when compared with the equivalent 12 month revenue for such service in 2007. Fare revenue of the Airport Express in 2008 was HK\$673 million, an increase of 2.7% over 2007.

Average fare per passenger in 2008 for the Domestic Service was HK\$6.58, a decrease of 3.0% compared with that of 2007 (a decrease of 4.8% when compared with the weighted average fares of MTR Lines and KCR Lines of HK\$6.91, as adjusted for interchange passengers for the same period last year). The decrease was again due to the one-off fare reduction implemented on the Rail Merger Day. Average fare per passenger in 2008 for Cross-boundary Service was HK\$24.45, a slight decrease of 0.2% when compared with the equivalent comparable average fare in 2007. For the Airport Express, average fare per passenger in 2008 decreased slightly by 1.4% to HK\$63.47.

Service Promotions

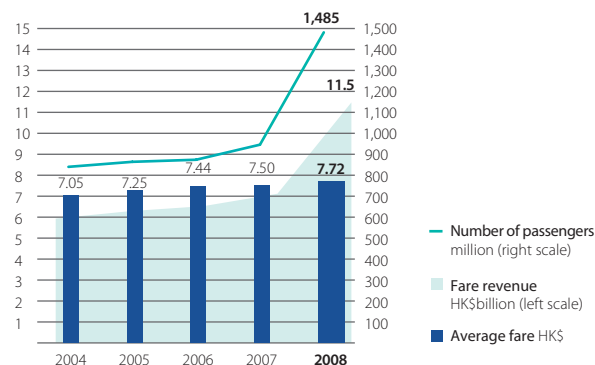
The Company's highly effective service promotions have been a key driver for incremental patronage growth while also increasing brand awareness and demonstrating our commitment to meeting customers' high service expectations.

In line with this commitment, a campaign "Serving you with joy and care" was launched from June to August, which was supported by TV commercials, print adverts and advertorials in newspapers and magazines, as well as station decorations. A "Smiling Photo Booth" was set up in Hong Kong Station for three consecutive weekends, where cheerful ambassadors took photos of passengers and played interactive games with them. To offer our customers a comfortable, cheerful and relaxing journey on the MTR, a specially designed "Happy Train" ran on the Tsuen Wan Line from June to August.

A variety of programmes were introduced to show the dedication of the Company to building a better community. We introduced an "Ecology and Heritage Study Project" to encourage primary students to preserve and love the environment, and a "Be my Courteous Hong Kong Video Shooting Competition" aimed to promote good behaviour and

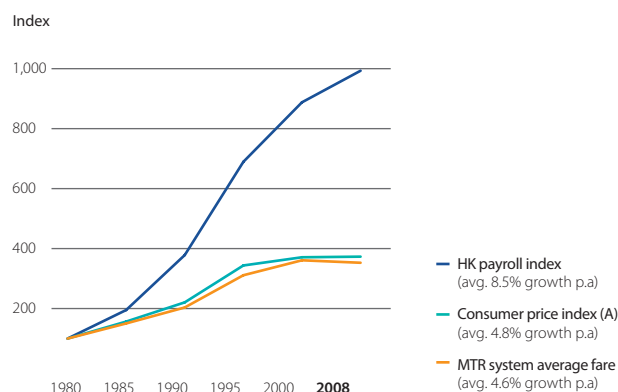
Passengers and Fares

Total fare revenue and patronage rose due to the Rail Merger.



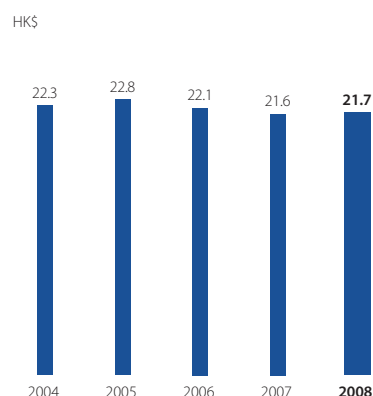
Fare Trend

In recent years, MTR fares have consistently lagged wage growth but were in line with the long-term changes in consumer prices in Hong Kong.



Railway Operating Costs Per Car-km Operated

Operating costs per car-km were maintained at a low level.





The extended network connects to new catchment areas.

good manners through a video competition for secondary and post-secondary students. A joint promotion with Hong Kong Wetland Park offered discount admission and free rides on Light Rail and MTR Bus in the Northwest New Territories, encouraging the general public to visit the park to learn about wetlands and the various habitats.

A new passenger behaviour campaign was launched in May to promote good manners and behavior in our network. As a symbol of "doing better for others", passengers were

encouraged to make rabbits out of origami papers that carried good behavior messages. They then gave the origami rabbits to their friends to pass on the message. The origami papers were also distributed in kindergartens and primary schools by the Hong Kong Education Bureau.

Further promotions included a new bonus point scheme for the MTR Club, a "Love Our Site" blog campaign on the MTR Club website, and a "Most Cheerful Station Staff Election", which attracted 20,000 votes in two weeks. At the award presentation ceremony held in July, 81 winning staff received the "Most Cheerful Station Staff Award".

During the summer, to encourage visitors to explore the diversity of Hong Kong by using the MTR network, we joined hands with the Hong Kong Tourism Board to promote a Hong Kong Summer Temptations campaign. Two tourist guidebooks with the theme of "Explore Hong Kong by MTR" and "Hong Kong Train Tour" were developed and distributed in Hong Kong and over 30 cities in the Mainland of China.

The Airport Express's 10th Anniversary was celebrated with various initiatives, including a "Children Travel Free" promotion in July and August to boost patronage from family travel. We continued to offer a 34% discount on the Airport Express Single Journey to our shareholders as well as a number of privileges to Ride-to-Rewards members.

Fare promotions continued to be a major tool to attract walk-in passengers. In July and for a period of six months, we introduced fare savers for interchange passengers from outlying island ferries. Our Student Concessionary Fare was extended to East Rail, West Rail and Ma On Shan lines domestic services from late September, allowing eligible students to enjoy a 50% reduction in adult fares throughout our network. Other fare promotion offers included a Monthly Pass for frequent travellers on the East Rail and West Rail lines.

Service Connectivity

Enhanced connectivity with other forms of transport helps drive MTR patronage growth. In our East Rail feeder bus service, to replace aging Leyland Olympian buses, the first batch of nine new Alexander Dennis Dart Enviro 200 buses fitted with low-emission Euro IV engines and a super-low floor design was put into service in April. Another four were delivered in February

2009, with the final batch of 15 double-deckers scheduled for delivery in the second quarter of 2009. The first two of 11 similar buses to replace the aging Mitsubishi single-deckers were put into revenue service on the North West New Territories feeder bus route in September. By the end of the year, 70% of the total bus fleet comprised super-low floor design buses.

New pedestrian links and entrances at various stations were opened, including a footbridge connection at Kowloon Bay Station connecting to Choi Ying Estate and a new integrated entrance at Sheung Wan Station linking to Vicwood Plaza.

Market Recognition

Our efforts in marketing, branding and enhancing passenger awareness continued to be widely recognised. Our TV commercial “Morning Congestion” launched in 2007 to encourage the passengers to travel before the morning peak hours won the UITP “Golden Cinérail for Advertising Film” in the 2008 Cinérail Film Festival. For the second consecutive year, we won the “Category Award of Public Transportation” in the Sing Tao Excellent Services Brand Award 2007 and we also won the “Prime Award for Eco-Business 2008” for our outstanding performance in environmental protection. The print advertisement for the Rail Merger was selected as one of the three “Best Integrated” adverts of the year in the Metro Creative Awards 2008 held by Metropolis Daily, while our Rail Merger TV commercial jingle won the “Most Popular Jingle” in the TVB Most Popular TV Commercial Awards 2008.

Service Performance

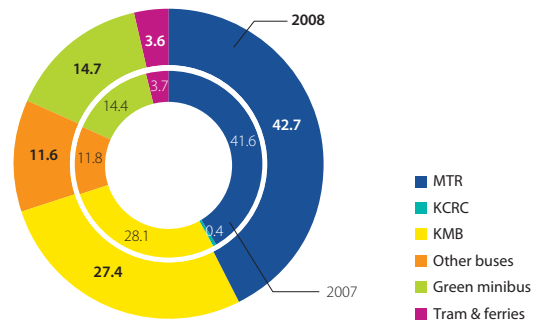
In an era of rapid changes and intense competition, a culture of continuous improvement is essential for the growth of our business. In 2008, we continued to enhance our customer services to provide the highest standards of passenger comfort, reliability and safety.

With the Rail Merger, a new Operating Agreement came into effect from 2 December 2007 to include the East Rail Line, West Rail Line, Ma On Shan Line and Light Rail. For the period from 2 December 2007 to 31 December 2008, we exceeded all the performance levels required by Government and our own more stringent Customer Service Pledges targets. Train service delivery, passenger journeys on time and train punctuality were 99.7% or above.

Market Shares of Major Transport Operators in Hong Kong (December only)

MTR's overall market share increased to 42.7% for December 2008 from 41.6% for December 2007 after Rail Merger.

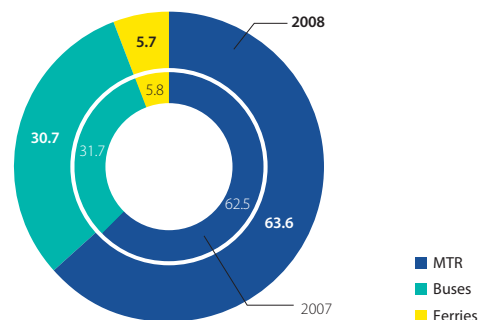
Percentage



Market Shares of Major Transport Operators Crossing the Harbour (December only)

The Company's market share of cross-harbour traffic rose to 63.6%.

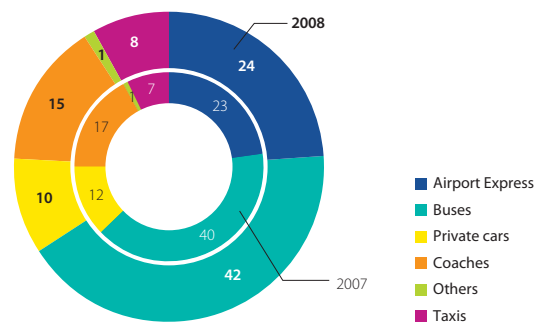
Percentage



Market Shares of Major Transport Operators to/from the Airport

The proportion of people travelling to and from the Hong Kong International Airport on MTR increased.

Percentage





Safety and maintenance are paramount.

Training in 2008 focused on rules and safety qualifications in preparation for the launch of the new Railway Safety Rules for the merged Railway, with a total of 7,000 operations staff and 2,500 contractors trained. Other training initiatives supporting post-merger operations included staff redeployment, multi-skilling and roster alignment. In terms of safety, a train door safety campaign was launched along with an escalator safety campaign in May and August respectively, while November was nominated Safety Month. Other measures included the tightening of controls on the conveyance of potable spirits and chemical cargoes on East Rail Line. During the Beijing Olympic Games period, we enhanced the security of intercity through train services by introducing an x-ray security check and metal detector inspection at Hung Hom Station.

Customer satisfaction levels recorded during the year by our regular surveys remained high. In 2008, the Service Quality Index for the Domestic / Cross-boundary services and Airport

Express stood at 71 and 82 respectively (2007: 70 and 81 respectively), while the Fare Index, which measures the level of satisfaction of customers with our fares, stood at 61 and 64 respectively (2007: 58 and 62 respectively). In the benchmarking performed by the 12-member international Community of Metros (CoMET) for 2007, we maintained our leading position in the areas of customer service, service reliability, business performance and safety.

The excellent standard of our service performance levels was again recognised in the winning of a large number of awards, including the "Best Metro Asia Pacific Award" at the MetroRail 2008 Awards, the "2008 Hang Seng Pearl River Delta Environmental Award" organised by Federation of Hong Kong Industries and Hang Seng Bank, and the Bronze award in the Customer Service Excellence Award 2007 organised by the Hong Kong Association for Customer Service Excellence Limited.

Ktt, our intercity train to Guangzhou, won the "2008 Prime Award for Brand Excellence" in Cross Boundary Transportation Service organised by Prime Magazine.

Service Improvements

We continued to enhance train services and network infrastructure to support the MTR network as the backbone of public transport in Hong Kong.

As part of our commitment to improving passenger comfort, five 7-car new trains were brought into passenger service on the West Rail Line in the fourth quarter of 2008. For the opening of the Kowloon Southern Link, 22 new Light Rail Vehicles are being procured with the first batch of vehicles scheduled for delivery in the fourth quarter of 2009. Ten new trains will also be delivered to Hong Kong between 2011 and 2012 to enhance train frequency on the existing lines to cater for ongoing patronage growth on the Island Line, Kwun Tong Line, Tsuen Wan Line and Tseung Kwan O Line. In addition, electric-powered rolling stock replaced the diesel-powered Beijing/Shanghai-Kowloon Through Trains in January, providing better services to passengers as well as offering benefits to the environment. Long-haul travelers welcomed this move. Average daily patronage of the Beijing-Kowloon Through Train and Shanghai-Kowloon Through Train in 2008 increased by about 21% and 14% respectively compared to 2007.

After the Rail Merger, a "fast track" renovation programme was carried out in East Rail stations with the introduction of inspiring colours and graphics containing local heritage and station name



The fresh design and convenience of our station platforms.

characters to provide both a refreshing ambience and easy recognition of stations when trains arrive at the platform. Station facilities were improved, including the standardisation of platform seats to provide better comfort, and of all signage to offer a consistent means of route-finding throughout the network. Renovation works also commenced at Mongkok East Station, with 25 new commercial shops scheduled for opening in March 2009.

The retrofitting of automatic platform gates, as used on the Disneyland Resort Line, for eight aboveground stations on the Island, Tsuen Wan and Kwun Tong lines began at the end of the year, with the whole project expected to complete in 2012. A wide gate was installed at the Kwun Tong Line concourse of Kowloon Tong Station, while another wide gate was installed at Mei Foo Station Entrance D. In the first quarter of 2008, we completed the application of photo-catalytic coating to all trains, buses and Airport Express shuttle buses to improve the hygiene level of our stations, trains and bus compartments.

As a value-added service to frequent travelers, Wi-Fi service became first available on Airport Express In-train in Aug 2008. This service became fully available on all Airport Express trains in early 2009. This service was additional to Wi-Fi availability at our 30 stations, including all Airport Express Stations.

To capture the increasing trend of tourist rides and extended reach of the railway network, MTR Travel was revamped and re-positioned as an icon of service commitment to the tourists. The MTR Travel at Lo Wu Station introduced a wide range of travel related services and products to the inbound tourists while the product variety at the Admiralty Station shop was enhanced to strengthen the services.

Access to the Network for the Disabled

Following the Rail Merger, the Company actively reviewed the integration and standardisation of facilities for passengers with disabilities across the network. In particular, we undertook the extension of the tactile guide path covering all platforms of Light Rail, which is targeted for completion in early 2009.

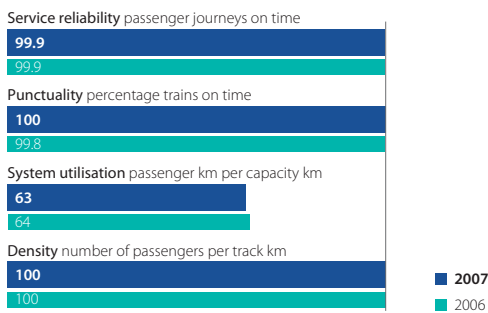


“Efficiency and productivity remained a key priority for the Company in 2008.”

Benchmarking Comparisons

MTR Corporation maintained its strong position, particularly in service reliability, against international benchmarks.

MTR performance vs. best performance

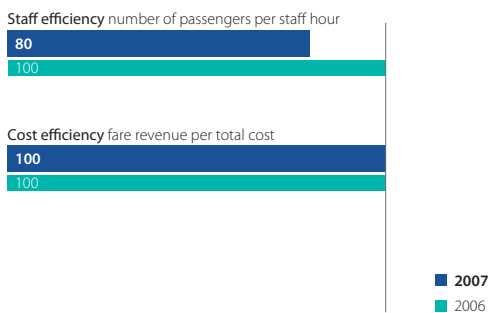


Best Performance = 100

Staff Efficiency and Cost Efficiency

New initiatives will further be introduced to enhance operating efficiency.

MTR performance vs. best performance



Best Performance = 100

Construction began at Tai Wo Hau on an external lift connecting the footbridge and street level to the station concourse, while planning for lifts at Sham Shui Po, Wong Tai Sin, Jordan, and Yau Ma Tei stations commenced with completion scheduled by 2012. Braille maps were introduced at all stations on the Tseung Kwan O Line as well as at Airport, Choi Hung, Kwai Fong, Jordan, and Ngau Tau Kok stations, and mechanical escalator audible devices were installed at all MTR Lines stations.

Productivity

Efficiency and productivity remained a key priority for the Company in 2008. The multi-disciplinary Rapid Response Unit was extended to the West Rail, East Rail, Light Rail and Ma On Shan lines in 2008, improving response to incidents whilst achieving cost savings of approximately HK\$1 million per annum. Ticket sorting operations were outsourced and sorting centres at Kam Sheung Road Station and Tai Wai Station were shut down. Due to a change of operations strategy, 68 staff in the Ticket Inspection Unit were replaced by contractor staff, thereby achieving cost savings of some HK\$8.8 million.



MTR staff help the disabled passengers with portable ramp.

System and Market Information

| Railway operation data | 2008 | | 2007 | |
|--|---------------------|---------------------|---------------------|---------------------|
| Total route length <i>in km</i> | 211.6 | | 211.6 | |
| Number of rail cars | 1,919 | | 1,871 | |
| Number of stations (Island Line, Tsuen Wan Line, Kwun Tong Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line, West Rail Line, Airport Express Line, East Rail Line and Ma On Shan Line) | 82 | | 82 | |
| Number of stops (Light Rail only) | 68 | | 68 | |
| Number of "e-Instant Bonus" machines in stations | 31 | | 24 | |
| Number of station kiosks and mini-banks in stations | 1,186 | | 1,230 | |
| Number of advertising points in stations | 20,539 | | 20,564 | |
| Number of advertising points in trains | 26,619 | | 27,011 | |
| Daily hours of operation | | | | |
| Island Line, Tsuen Wan Line, Kwun Tong Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line, West Rail Line, Airport Express Line and Light Rail | 19.0 | | 19.0 | |
| East Rail Line and Ma On Shan Line | 19.5 | | 19.5 | |
| Minimum train headway in seconds | Morning Peak | Evening Peak | Morning Peak | Evening Peak |
| – Tsuen Wan Line | 128 | 130 | 128 | 140 |
| – Kwun Tong Line | 128 | 144 | 128 | 144 |
| – Island Line | 120 | 150 | 124 | 156 |
| – East Rail Line | | | | |
| East Tsim Sha Tsui to Sheung Shui | 212 | 212 | 212 | 212 |
| East Tsim Sha Tsui to Lo Wu | 327 | 327 | 327 | 327 |
| East Tsim Sha Tsui to Lok Ma Chau | 600 | 600 | 600 | 600 |
| – Ma On Shan Line | 180 | 240 | 180 | 240 |
| – Tseung Kwan O Line | 160 | 180 | 160 | 180 |
| – Tung Chung Line | | | | |
| Hong Kong – Tung Chung | 360 | 480 | 360 | 480 |
| Hong Kong – Tsing Yi | 240 | 240 | 240 | 240 |
| – Airport Express | 720 | 720 | 720 | 720 |
| – West Rail Line | 210 | 270 | 210 | 270 |
| – Disneyland Resort Line | 270 | 270 | 270 | 270 |
| – Light Rail | 270 | 300 | 270 | 300 |

International Performance Comparisons: The 12-member Community of Metros (CoMET)

| Metro system network data (2007) | MTR* | Metro A | Metro B | Metro C | Metro D | Metro E | Metro F | Metro G | Metro H | Metro I | Metro J | Metro K |
|--------------------------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Passenger journeys <i>in million</i> | 888 | 473 | 1,080 | 1,352 | 692 | 2,529 | 1,568 | 1,431 | 458 | 612 | 781 | 612 |
| Car kilometres <i>in million</i> | 118 | 122 | 505 | 363 | 184 | 686 | 571 | 239 | 102 | 97 | 85 | 101 |
| Route length <i>in km</i> | 84 | 144 | 439 | 201 | 275 | 281 | 480 | 212 | 115 | 86 | 117 | 61 |
| Number of stations | 51 | 170 | 269 | 147 | 239 | 159 | 424 | 297 | 66 | 85 | 77 | 55 |

* For the data year 2007, the lines included in the CoMET metro benchmarking programme are Kwun Tong Line, Tsuen Wan Line, Island Line, Tung Chung Line, Tseung Kwan O Line and Disneyland Resort Line. The Airport Express is excluded from the benchmarking.

Note: The other metros in the comparison are Berliner Verkehrsbetriebe, London Underground Limited, New York City Transit, Sistema de Transporte Colectivo, Régie Autonome des Transports Parisiens Metro, Régie Autonome des Transports Parisiens Réseau Express Régional, Metropolitano de São Paulo, Moscow Metro, Metro de Madrid, Metro de Santiago and Shanghai Metro Operation Corporation. The benchmarking agreement prohibits specifically identifying the data by metro system.



| Operations Performance in 2008 | | | |
|--|-------------------------|--------------------------------|----------------------------------|
| Service performance item | Performance Requirement | Customer Service Pledge target | Actual Performance ^{##} |
| Train service delivery | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 98.5% | 99.5% | 99.9% |
| – East Rail Line (including Ma On Shan Line) | 98.5% | 99.5% | 99.9% |
| – West Rail Line | 98.5% | 99.5% | 99.9% |
| – Light Rail | 98.5% | 99.5% | 99.9% |
| Passenger journeys on time | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line and Disneyland Resort Line | 98.5% | 99.5% | 99.9% |
| – Airport Express | 98.5% | 99.0% | 99.9% |
| – East Rail Line (including Ma On Shan Line) | 98.5% | 99.0% | 99.9% |
| – West Rail Line | 98.5% | 99.0% | 99.9% |
| Train punctuality | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line and Disneyland Resort Line | 98.0% | 99.0% | 99.7% |
| – Airport Express | 98.0% | 99.0% | 99.9% |
| – East Rail Line (including Ma On Shan Line) | 98.0% | 99.0% | 99.8% |
| – West Rail Line | 98.0% | 99.0% | 99.9% |
| – Light Rail | 98.0% | 99.0% | 99.9% |
| Train reliability: train car-km per train failure causing delays \geq5 minutes | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | N/A | 500,000 | 2,294,126 |
| – East Rail Line (including Ma On Shan Line) and West Rail Line | N/A | 500,000 | 2,167,927 |
| Ticket reliability: magnetic ticket transactions per ticket failure | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line, Airport Express, East Rail Line (including Ma On Shan Line) and West Rail Line * | N/A | 8,000 | 11,224 |
| Add value machine reliability | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 98.0% | 99.0% | 99.6% |
| – East Rail Line (including Ma On Shan Line) | 98.0% | 99.0% | 99.8% |
| – West Rail Line | 98.0% | 99.0% | 99.8% |
| – Light Rail | N/A | 99.0% | 99.7% |
| Ticket machine reliability | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 97.0% | 99.0% | 99.5% |
| – East Rail Line (including Ma On Shan Line) | 97.0% | 99.0% | 99.7% |
| – West Rail Line | 97.0% | 99.0% | 99.8% |
| – Light Rail | N/A | 99.0% | 99.8% |

Operations Performance in 2008 (continued)

| Service performance item | Performance Requirement | Customer Service Pledge target | Actual Performance ^{##} |
|--|-------------------------|--------------------------------|----------------------------------|
| Ticket gate reliability | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 97.0% | 99.0% | 99.7% |
| – East Rail Line (including Ma On Shan Line) | 97.0% | 99.0% | 99.9% |
| – West Rail Line | 97.0% | 99.0% | 99.6% |
| Light Rail platform Octopus processor reliability | N/A | 99.0% | 99.9% |
| Escalator reliability | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 98.0% | 99.0% | 99.9% |
| – East Rail Line (including Ma On Shan Line) | 98.0% | 99.0% | 99.9% |
| – West Rail Line | 98.0% | 99.0% | 99.9% |
| Passenger lift reliability | | | |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, Tung Chung Line, Disneyland Resort Line and Airport Express | 98.5% | 99.5% | 99.7% |
| – East Rail Line (including Ma On Shan Line) | 98.5% | 99.5% | 99.7% |
| – West Rail Line | 98.5% | 99.5% | 99.7% |
| Temperature and ventilation | | | |
| Trains, except Light Rail: to maintain a cool, pleasant and comfortable train environment generally at or below 26°C | N/A | 97.0% | 99.8% |
| Light Rail: on-train air-conditioning failures per month | N/A | <3 | 0 |
| Stations: to maintain a cool, pleasant and comfortable environment generally at or below 27°C for platforms and 29°C for station concourses, except on very hot days | N/A | 90.0% | 99.6% |
| Cleanliness | | | |
| Train compartment: cleaned daily | N/A | 98.5% | 99.9% |
| Train exterior: washed every 2 days (on average) | N/A | 99.0% | 100.0% |
| Northwest Transit Service Area Bus Service | | | |
| – Service Delivery | N/A | 99.0% | 100.0% |
| – Cleanliness: washed daily | N/A | 99.0% | 99.3% |
| Passenger enquiry response time within 6 working days | N/A | 99.0% | 100.0% |

^{##} The actual performance figures are for the operating period from 2 December 2007 to 31 December 2008 as per the post-merger Operating Agreement.

* East Rail Line (including Ma On Shan Line) and West Rail Line are included since 28 September 2008.

Supporting the Olympic Games

The Company took its role as Olympic Games Equestrian Events Railway Passenger Services Associate to heart, surpassing our pledge to serve with joy and care.

Drawing on strengths from many departments, the Company ensured spectators, athletes and their entourage travelled swiftly, safely and on time to the Equestrian events venues at Sha Tin and Beas River over the 10 days of dressage, jumping and eventing. An Equestrian Events Special Task Force was set up to ensure that the Company rose to the challenge of this special assignment.

Using additional portable ramps, station staff also helped disabled passengers enjoy smooth train journeys to Shatin to attend the Paralympic Equestrian Event from 7 to 11 September. Station lifts and stair lifts were checked to ensure that wheelchair passengers would not encounter any difficulties on the way to their events.

Moreover, the Company also showed its support to the Beijing Olympic Games by sponsoring the 2008 Beijing Olympic Games Volunteers (HK Group) to travel by the Beijing-Kowloon Through Train in August.