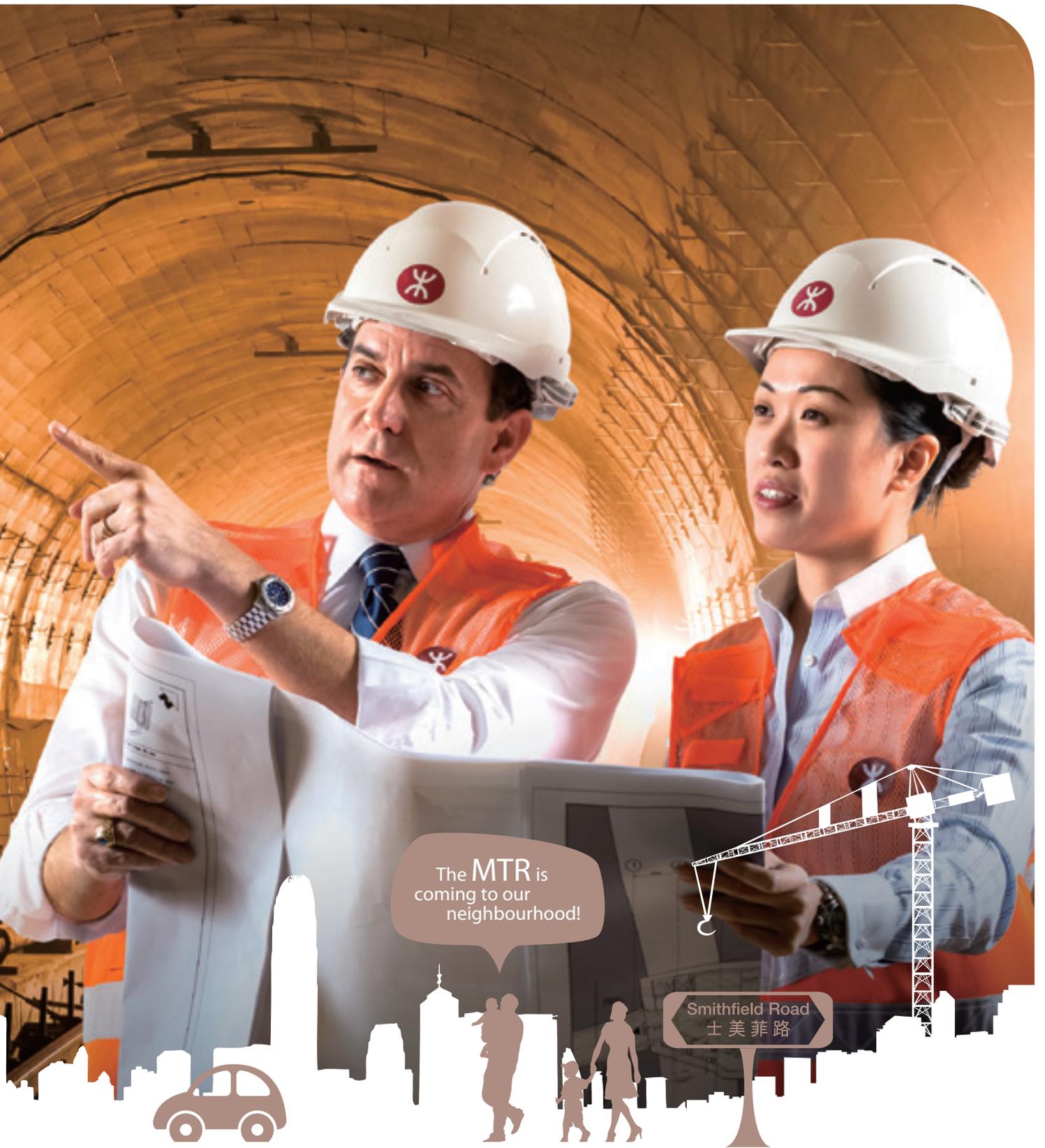


MTR is so  
convenient  
and reliable!

MTR connects us to  
Every District.

Wuhu Street  
蕪湖街

# Shared Future



The MTR is coming to our neighbourhood!

Smithfield Road  
士美菲路



West Island Line will be a "Community Railway" into Western District

## Hong Kong Network Expansion

West Island  
Line  
is targeted to open in

2014

Hong Kong  
railway network  
to expand



25%  
or 56km by 2020

The Shatin to  
Central Link  
will provide a fourth rail  
Harbour  
Crossing





During 2012 works continued simultaneously on the five major Hong Kong railway extension projects that will expand our efficient, affordable and environmentally sustainable rail service to more districts. All five projects are now in the construction stage and making steady progress.

With construction activities involving over 7,000 workers located on 125 sites across Hong Kong, the Company has worked closely with contractors to raise worker safety culture and risk awareness, and ensure high standards of site health and safety are maintained, including the reduction of commonly occurring minor finger and toe injuries. A New Workers Caring Programme was introduced in 2012 to improve safety awareness among new workers and a Workers Life Insurance Scheme was launched in April 2012. A Mobile Incident Control Centre was procured during the year to enhance our ability to manage major incidents on site. Training and education have continued, and we continue to encourage best practice among contractors through sharing of initiatives, lessons learned, monitoring and awards.

Following completion of the Review and Update of the Railway Development Strategy 2000 (“RDS-2U”) Stage 1 Public Engagement by Government in July 2012, we are aware of the public support and views from the communities and stakeholders towards sustainable long term rail development in Hong Kong. The Company looks forward to proactive participation in the RDS-2U for timely implementation of new railway projects to meet future demand for domestic and cross boundary travel, and we are prepared to work with Government in the forthcoming Stage 2 Public Engagement in 2013 to shape the plans and roadmap for future new lines such that railway planning and land development can be properly integrated.

### West Island Line

The 3-km West Island Line is an extension of the Island Line. As at the end of 2012, the project was 65% complete and is targeted to open in 2014. All tunnel excavation for the line has been substantially completed. Following two years of major renovation works at Sheung Wan Station, new public toilets and lifts were opened to the public in August 2012, and the uptrack refuge siding at the station reopened the following month. Track laying works commenced in the uptrack running tunnel between Sai Woo Lane and Sheung Wan in June 2012, and removal of a section of the existing tunnel overrun was successfully completed, allowing the tunnel excavation to be completed for the downtrack tunnel between Sai Ying Pun and Sheung Wan stations. Excavation works for the Hong Kong University and Sai Ying Pun station caverns were completed in July 2012 and structural concrete works are in progress. Uprack tunnel lining works between Kennedy Town and Sai Ying Pun stations have also been completed, giving access for track laying works in October 2012. Electrical and mechanical (“E&M”) contractors commenced installation works in Kennedy Town Station and Entrance C2 of Hong Kong University Station in September 2012.



Track laying works commenced for the West Island Line

### South Island Line (East)

The 7-km South Island Line (East) will extend MTR services from Admiralty to the Southern District of Hong Kong Island, with a train depot located in Wong Chuk Hang. As at year end 2012, the project was 30% complete and is on track to open in 2015.

Foundation works for the new section of Admiralty Station have been completed and excavation has commenced. The first blast for the Nam Fung tunnel was carried out in August 2012 and tunnel excavation works are progressing satisfactorily. The spans of the railway viaduct near Aberdeen Road Tunnel have been completed. Foundation works for the new Ocean Park and Wong Chuk Hang stations, as well as excavation works for the Wong Chuk Hang Depot formation, have been completed and superstructure works are progressing well. The two piers for the Aberdeen Channel Bridge have been completed and construction of the balanced cantilever bridge deck continued. Excavation for the Lei Tung cut and cover tunnel was completed in mid 2012 and the tunnel box construction is progressing satisfactorily. Drill and blast excavation for the Lei Tung to South Horizons main running tunnel is making good progress. E&M contracts have been awarded and are in the detailed design stage.

### Kwun Tong Line Extension

The 2.6-km Kwun Tong Line Extension will extend the Kwun Tong Line from its existing terminus at Yau Ma Tei Station to new stations in Ho Man Tin and Whampoa. As at year end 2012, the project was 31% complete and is targeted to open in 2015.

The scheme amendment incorporating the integrated entrances at Whampoa Station was authorised in August 2012. Blasting at Ho Man Tin Station commenced in June with 68% of station excavation completed by the end of 2012, and tunnel excavation between Yau Ma Tei and Ho Man Tin has now commenced. The re-provisioned Club de Recreio was handed over in September 2012. Temporary cofferdam piling and traffic deck installation for the construction of Whampoa Station was more than 60% complete as at year end.

### Express Rail Link

The 26-km Express Rail Link, which is funded by Government, will provide high speed cross-boundary rail services connecting Hong Kong to Shenzhen, Guangzhou and the Mainland of China's high-speed intercity passenger rail



Construction of viaducts spans across southern district

network. It will be served by the West Kowloon Terminus, a building complex which is some 30 times larger than the average MTR station, with 15 platforms for both short-haul and long-haul services. The project was 31% complete as at year end, with the line opening planned in 2015.

Works for the tunnelling and the West Kowloon Terminus have both progressed satisfactorily. The first Tunnel Boring Machine ("TBM"), launched from Mai Po in 2011, continues excavation. Tunnelling works commenced at Nam Cheong in January 2012 with the launch of the second TBM in April 2012. Three further TBMs were launched successively during the year to allow tunnelling works to proceed for the cross-boundary tunnels north of the Shenzhen River and at Shek Kong. Tunnel blasting activities progressed at Kwai Chung, Shing Mun, Shek Yam, Pat Heung, Tai Kong Po and Ngau Tam Mei.

For the terminus, traffic diversions on Jordan Road were successfully implemented to enable the completion of the remaining diaphragm walls, piles and utilities diversion for the approach tunnels. By the end of 2012, 60% of the required excavation was complete for the project including tunnels and the terminus. Concrete casting commenced for the track slab level at the terminus in September 2012. All major E&M contracts including signalling and rolling stock had been awarded by March 2012.

### Shatin to Central Link

The 17-km Shatin to Central Link consists of ten stations, including six interchange stations, namely Tai Wai, Diamond Hill, Ho Man Tin, Hung Hom, Exhibition and Admiralty. It will integrate into the rail network in areas in East Kowloon District such as Ho Man Tin, To Kwa Wan, Ma Tau Wai and Kai Tak, aiding the urban renewal in these areas. The 11-km section between Tai Wai and Hung Hom is expected to be completed in 2018, followed in 2020 by the 6-km Hung Hom to Admiralty

section, which interfaces with other infrastructure projects, including the Wan Chai Development Phase II and Central-Wan Chai Bypass. It is estimated that the project will create some 15,000 jobs throughout the construction period.

On 27 March 2012, the Chief Executive-in-Council announced the authorisation of the project under the Railways Ordinance. This was followed in May 2012 by approval of the funding application by the Finance Committee of the Legislative Council, receipt of the environmental permits and signing of the Entrustment Agreement.

Ground breaking ceremony was held in June 2012. Procurement of civil and E&M contracts has progressed, including the contract for the modification of East Rail platforms to accommodate new rolling stock. By the end of the year, approximately HK\$20 billion of contracts for the project had been awarded. District Council and Community Liaison Group consultations have continued throughout the year. The overall works for the new Central Mail Centre were 70% complete by year end, with the structural works completed in October 2012. Building services installation and architectural fitting are in progress for completion in mid 2013.

### Project Funding Model

Two of our Hong Kong railway extension projects, namely the South Island Line (East) and Kwun Tong Line Extension, are being constructed under our proven "Rail plus Property" model. The West Island Line, on the other hand, is being constructed under the capital grant model. The ownership of these three projects belongs to the Company. The remaining

two, namely the Express Rail Link and the Shatin to Central Link, are financed and owned by Government and the Company will be invited to operate and maintain these lines under the "Service Concession" model.

"... the five major Hong Kong railway extension projects that will expand our efficient, affordable and environmentally sustainable rail service to more districts."

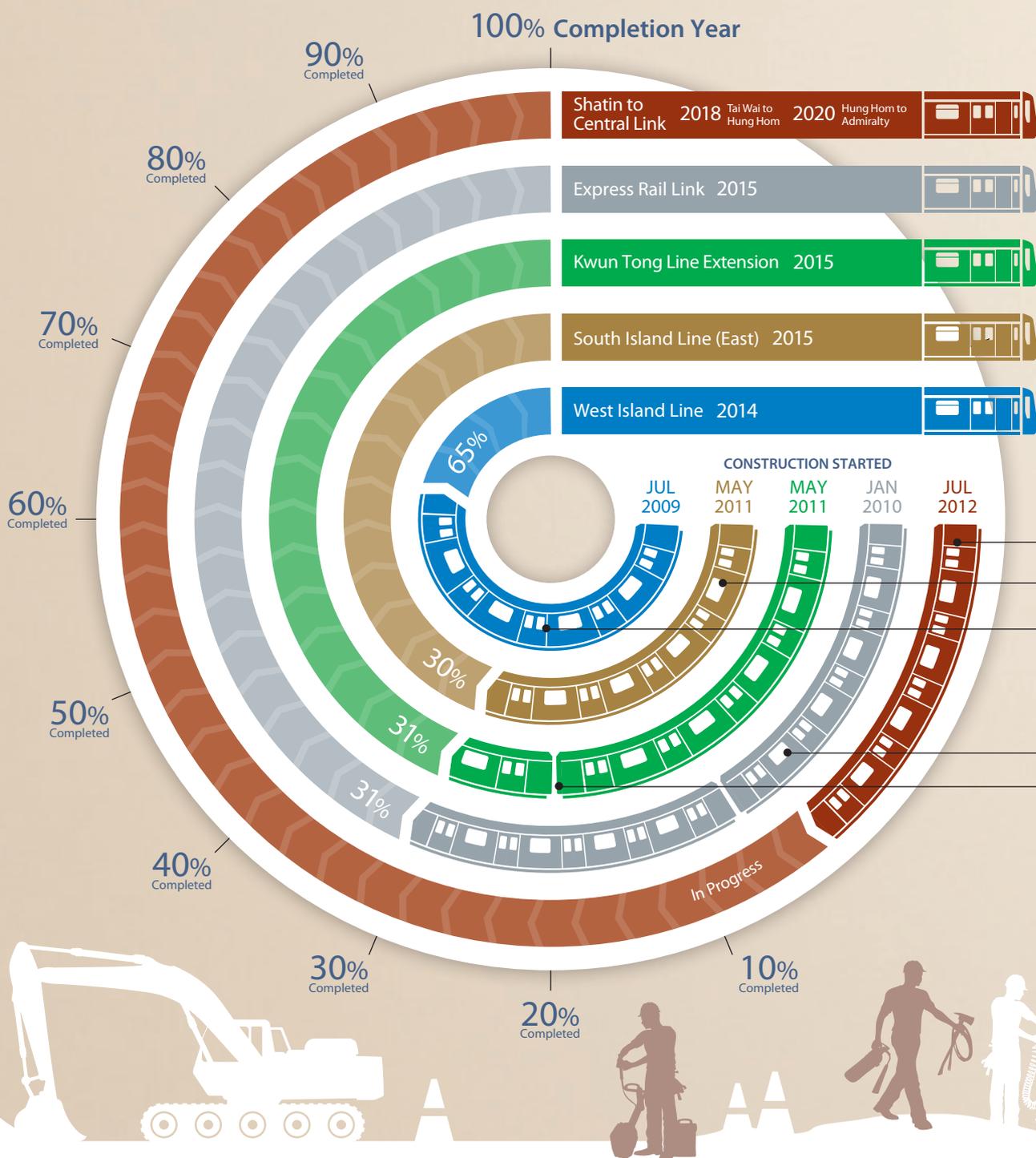
### Other developments

To enhance the convenience and accessibility of our network, we continue with our programme to construct new entrances, subways and pedestrian links. During 2012, new entrances were opened at Tseung Kwan O and Causeway Bay stations, as well as an environmentally-friendly new entrance at University Station. Construction of the Central Station Club Street subway remains on schedule for public use by 2013. The scheme for the Tsim Sha Tsui Station Carnarvon Road subway project was gazetted in April 2012 and that for the Wan Chai Station Lee Tung Street subway project in September 2012. The statutory approval for the Tsim Sha Tsui Station entrance A1 enhancement works is being processed. Other new entrances are being planned or constructed at Che Kung Temple, Austin, Tuen Mun and Yuen Long stations.



Tunnelling work forges ahead on the Hong Kong railway expansion

# Progress of 5 New Railway Projects in 2012



|                              | West Island Line                   | South Island Line (East)         | Express Rail Link                    | Kwun Tong Line Extension  | Shatin to Central Link    |                             |
|------------------------------|------------------------------------|----------------------------------|--------------------------------------|---------------------------|---------------------------|-----------------------------|
|                              | Sheung Wan to Kennedy Town         | Admiralty to South Horizons      | West Kowloon to Guangzhou South      | Yau Ma Tei to Whampoa     | Tai Wai to Hung Hom       | Hung Hom to Admiralty       |
| No of Stations               | 3                                  | 5                                | 1                                    | 2                         | 8                         | 2                           |
| Route Length (km)            | 3                                  | 7                                | 26*                                  | 2.6                       | 11                        | 6                           |
| Project Funding              | Capital Grant                      | Rail plus Property               | Service Concession                   | Rail plus Property        | Service Concession        |                             |
| Estimated Journey Time (min) | 8 (Kennedy Town to Sheung Wan)     | 11 (Tsim Sha Tsui to Ocean Park) | 14 (West Kowloon to Futian)          | 5 (Yau Ma Tei to Whampoa) | 17 (Tai Wai to Admiralty) | 5 (Tai Wai to Diamond Hill) |
|                              | 14 (Kennedy Town to Tsim Sha Tsui) | 4 (Admiralty to Ocean Park)      | 48 (West Kowloon to Guangzhou South) |                           |                           |                             |

\* This represents the route length from West Kowloon in Hong Kong to the boundary of Hong Kong and Shenzhen.

Entrustment Agreement for Shatin to Central Link signed with Government in May



Ground breaking ceremony for Shatin to Central Link was held in June



The first blast for Nam Fung tunnel of South Island Line (East) was carried out in August

All tunnel excavation of West Island Line has been substantially completed



Blasting at Ho Man Tin Station of Kwun Tong Line Extension commenced in June



Six out of eight Tunnel Boring Machines in progress along the Express Rail Link alignment

