

# MTR CORPORATION LIMITED (地鐵有限公司)

(the "Company")  
(Incorporated in Hong Kong with limited liability)  
(Stock code: 66)

## Appointment of China & International Business Director

The Company is pleased to announce the appointment of Dr. Francois Ka Kui Lung to the Company's Executive Directorate as China & International Business Director with effect from 26 September 2005.

Dr. Lung will head the Company's growth-business efforts, including investments in China, operating franchises in Europe and international consultancy, in this business development role succeeding to Mr. Philip Gaffney when he retires at the end of 2005. Until Mr. Gaffney takes his leave on 5 December 2005, Dr. Lung will work closely with Mr. Gaffney on familiarisation with the role in business development in order to facilitate a smooth transition. Dr. Lung's title during such time will be China & International Business Director – Designate.

Dr. Lung has held various positions in a number of Royal Dutch Shell affiliates since 1997 and is joining the Company from Shell Eastern Petroleum (Pte) Ltd. Most recently, he has held the position of General Manager, China, with responsibility for strategy development, governance and business performance of Shell's gas and power business in China. From 1994 to 1997 he held positions at Duke Energy Asia Limited, an affiliate of Duke Energy International, becoming Vice-President in 1996. Prior to this, Dr. Lung spent approximately five years at PowerGen plc, a major generator, distributor and retailer of electricity in the United Kingdom, and three years at the Central Electricity Generating Board before the privatisation of the electricity industry in the United Kingdom.

Dr. Lung holds a Bachelor of Science degree in Mechanical Engineering from the University of Hong Kong, a PhD in Combustion from the University of Leeds in the United Kingdom, a Master of Science degree in Management from the University of Southampton in the United Kingdom and a Bachelor of Law degree from the University of London. Dr. Lung was admitted to the Bar of the United Kingdom in 1992.

Dr. Lung is 46 years of age.

Dr. Lung is not related to any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Dr. Lung was not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Dr. Lung has entered into a service contract with the Company for three years which commences on 26 September 2005. The amount of Dr. Lung's fixed emoluments (which excludes discretionary variable remuneration) specified in his service contract is HK\$3.85 million. Dr. Lung's remuneration has been determined with reference to his responsibilities, experience and qualifications and includes a basic salary of HK\$2.04 million per annum, a cash allowance of HK\$1.30 million per annum and other benefits in kind. In addition, Dr. Lung will be entitled to discretionary variable remuneration related to performance. He will be granted share options of 1,066,000 shares at the time of joining the Company.

By Order of the Board  
**Leonard Bryan Turk**  
Secretary

Hong Kong, 5 August 2005

*Members of the Board:* Dr. Raymond Ch'ien Kuo-fung (*Chairman*)\*\*, Chow Chung-kong (*Chief Executive Officer*), Professor Cheung Yau-kai\*, David Gordon Eldon\*, Christine Fang Meng-sang\*, Edward Ho Sing-tin\*, Lo Chung-hing\*, T. Brian Stevenson\*, Frederick Ma Si-hang (*Secretary for Financial Services and the Treasury*)\*\*, Secretary for the Environment, Transport and Works (Dr. Sarah Liao Sau-tung)\*\* and Commissioner for Transport (Alan Wong Chi-kong)\*\*

*Members of the Executive Directorate:* Chow Chung-kong, Russell John Black, William Chan Fu-keung, Philip Gaffney, Thomas Ho Hang-kwong, Lincoln Leong Kwok-kuen, and Leonard Bryan Turk.

\* independent non-executive Directors

\*\* non-executive Directors

This announcement is made in English and Chinese. In the case of any inconsistency, the English version shall prevail.