

MTR Majority-Owned Subsidiary Awarded New 7-Year Franchise to Operate and Maintain Melbourne Train System

MTR Corporation welcomes the announcement today (12 September 2017) by the Victorian State Government in Australia to award a new seven-year franchise to Metro Trains Melbourne (MTM) to operate and maintain the Melbourne train system.

MTM is a 60%-owned subsidiary of MTR Corporation and has been successfully operating the 390-km Melbourne metropolitan train service since 2009. Over the past eight years, extensive service improvements have been made on the system which provides an average of 840,000 passenger journeys on weekdays, including for punctuality and reliability, safety, asset management and customer satisfaction. (See appendix for details)

The new franchise will start from 30 November 2017 and includes up to a three-year extension option. Under the new operations and maintenance agreement, MTM is committed to delivering further enhancements to railway operations, asset maintenance and customer service in Melbourne, including by:

- Adding more peak services. Over the seven years, an extra 335 peak services will be added per week as well as 1,758 inter-peak and weekend services;
- Higher reliability and punctuality performance through increased maintenance to improve infrastructure and rolling stock reliability;
- Upgrading 500 CCTV cameras;
- Improving the passenger experience with more information and cleaner trains and stations; and
- Creating more than 600 new jobs across the franchise including 128 in the first year.

“We are very pleased that a new franchise has been awarded to MTM. This is a fitting recognition of the determined efforts and achievements by all colleagues and shareholders of MTM to uplift service performance over the past eight years. MTR, our partners, John Holland Group and UGL Rail, and the whole team at MTM look forward to continuing to work in close collaboration with the Victorian Government over the next seven years to meet Melbourne’s growing demand for high quality railway transport,” said Mr Lincoln Leong, Chief Executive Officer of MTR Corporation.

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About MTR Corporation

MTR Corporation is regarded as one of the world's leading railway operators for safety, reliability, customer service and cost efficiency. In its home base of Hong Kong, the Corporation operates ten commuter railway lines, a Light Rail network and a high-speed Airport Express link on which about 5.6 million passenger trips are made on a normal week day. Another 5.6 million passenger trips are made on the rail services it operates outside Hong Kong in the Mainland of China, the United Kingdom, Sweden and Australia. In addition, the Corporation is involved in a range of railway construction projects as well as railway consultancy and contracting services around the world. Leveraging on its railway expertise, the Corporation is involved in the development of transit-related residential and commercial property projects, property management, shopping malls leasing and management, advertising media and telecommunication services.

For more information about MTR Corporation, please visit www.mtr.com.hk.

For more information about Metro Trains Melbourne, please visit <http://www.metrotrains.com.au/> .

Photo Caption:

Having operated the Melbourne metropolitan train service since 2009, Metro Trains Melbourne (MTM), a subsidiary of MTR Corporation, has been awarded a new seven-year franchise to operate and maintain the train system.



MTM Franchise Milestones:

- Punctuality of services has improved under MTM, climbing from a first financial year performance of 85.9% to the latest figure of 91.82%. Punctuality has remained above target for the last 5 years.
- The passenger experience has also improved under MTM, with the quarterly customer satisfaction monitor score climbing from 63.3 to 72.7 across the franchise.
- MTM has delivered great results in safety with staff preventable lost time injuries hitting a record low 2.95 injuries per million hours worked in FY2016-17, as compared to 17.85 in the month of December 2009 when taking over the franchise.
- Total Fleet Reliability has more than tripled since MTM began operations, with more trains available at peak times and better performance in terms of train car-km per train failure.
- MTM, having become the first railway in the southern hemisphere to obtain the PAS 55 standard in asset management, has since successfully transitioned to the new ISO 55000 standard that sets down the requirements for a comprehensive system of asset management.
- MTM's excellent performance has been recognised with prestigious awards including:
 - Infrastructure Partnerships Australia Award for Operator & Service Provider Excellence
 - Australian National Training Award for Large Employer of the Year
 - Victorian Training Award for Large Employer of the Year
 - Victorian Training Award for Apprentice Development
 - Australian Financial Review Top 100 Innovative Companies Award
 - Victorian Disability Award for Excellence in Accessible Communications & Technology
 - National Safety Council of Australia Award for Best Communication of a Safety Message
 - Australasian Railway Association Award for Workforce Diversity