

**MTR Board of Directors Visit  
the Corporation's Operations in Hangzhou and Beijing**

Members of the MTR Board of Directors and MTR executives visited the Corporation's railway operations in Hangzhou and Beijing from 8 to 12 October 2017 to learn more about the latest business and service performance and appraise new business opportunities in the growing and thriving Mainland of China market.

During their stay in Hangzhou, the MTR Board members and executives travelled on Hangzhou Metro Line 1, which has been operated by MTR's associate company, Hangzhou MTR Corporation Limited (HZMTR), since 2012 and learned about the company's rigorous rolling stock maintenance regime during a visit to Hangzhou Qibao Depot. Building on its excellent service performance, the MTR Corporation further expanded its business in Hangzhou by signing a Concession Agreement for the Hangzhou Metro Line 5 Public Private Partnership (PPP) project in June 2017. The new line is expected to go into operation by the end of 2019 to provide high quality railway services to the residents in Hangzhou. (See appendix for more details)

On 10 October, Mr Lincoln Leong, CEO of MTR Corporation, signed a letter of Intent with Hangzhou Metro Group to set up a branch campus of the MTR Academy in Hangzhou. (See press release issued on 10 October 2017 for more details)

In Beijing, the MTR Board members were updated on the railway operations of Beijing Metro Line 4 (BJL4), Daxing Line, Line 14 and Line 16 which are all operated by Beijing MTR Corporation Limited (BJMTR), an associate company of MTR Corporation. Board members were also briefed on the development of the growing Jing-Jin-Ji region and potential integrated railway and property development opportunities in the capital city. In 2016, the Corporation signed a Cooperation Framework Agreement with Beijing Infrastructure Investment Corporation Limited to conduct joint preliminary studies on the integrated development of station and depot sites along BJL4 and the Daxing Line. (See appendix and press release issued on 4 November 2016 for more details)

"We are glad to witness the high quality operational performance of our associates in Hangzhou and Beijing, with an average on-time performance rate of 99.9%, bringing efficient, reliable and world-class metro service to the people of Hangzhou and Beijing," said Professor Frederick Ma, Chairman of MTR Corporation. "Our Board members are impressed by what our teams in the Mainland hubs have achieved. With thriving economic development in the Mainland of China, I am confident there will be even more opportunities for the Corporation in railway services and rail-related property development in future," he added.

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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](http://www.mtr.com.hk).

Photo Captions:

1. MTR Board members and executives, led by Chairman Professor Frederick Ma and CEO Mr Lincoln Leong, visited Hangzhou Qibao Depot accompanied by staff from Hangzhou MTR.



2. Some of the board members engaged in an interactive “selfie” experience at the latest touch-screen LED wall in Fengqi Road Station on Hangzhou Metro Line 1.





3. Beijing MTR colleagues updated Board members on the company's rigorous maintenance regime in the Beijing Line 4 Depot.



4. Board members rode on the BJMTR-operated Beijing Metro Line 16 which connects from Xiyuan Station to Beianhe Station in the northwest of Beijing.



## Appendix

HZMTR - a joint venture company of MTR Corporation and Hangzhou Metro Group – is the franchised operator for Hangzhou Metro Line 1 (HZL1).

Project	Status	Business Model	MTR Corporate Shareholding	Franchise / Concession Period (years)	Date of Commencement	Number of Stations	Route Length (km)
Hangzhou Line 1	In Operation	PPP	49%	25	24 November 2012	31	48
Hangzhou Line 1 Extension	In Operation	O&M	49%	Note 1	24 November 2015	3	5.7

Note 1: Ends with Hangzhou Line 1 Concession Agreement.

In June 2017, the MTR Corporation signed a Concession Agreement with the Hangzhou Municipal Government and Hangzhou Metro Group for the Hangzhou Metro Line 5 Public Private Partnership (PPP) project. The 51.5 km Hangzhou Metro Line 5 with a total of 38 stations is expected to go into operation by the end of 2019, with a concession period of 25 years.

BJMTR - a joint venture company of MTR Corporation Ltd with Beijing Capital Group and Beijing Infrastructure Investment Co Ltd (49 : 49 : 2) – is the franchised operator for Beijing Metro Line 4 (BJL4) , Beijing Daxing Line (DXL) and Beijing Line 14 (BJL14) , Beijing Line 16(BJL16).

Project	Status	Business Model	MTR Corporate Shareholding	Franchise / Concession Period (years)	Date of Commencement	Number of Stations	Route Length (km)
Beijing Line 4	In Operation	PPP	49%	30	Sep 2009	24	28.3
Daxing Line extension of Beijing Line 4		O&M		10	Dec 2010	11	21.8
Beijing Line 14 West Section	In Operation	O&M	49%	Until Full Line Opens	May 2013	7	12.4
Beijing Line 14 East Section					Dec 2014	12	14.8
Beijing Line 14 Middle Section					Dec 2015	9	16.6

Project	Status	Business Model	MTR Corporate Shareholding	Franchise / Concession Period (years)	Date of Commencement	Number of Stations	Route Length (km)
Beijing Line 14 Full Line	In Progress	PPP	49%	30	After 2018	37	47.3
Beijing Line 16 Phase I	Concession Agreement Signed	PPP*	49%	30*	Late 2016	29	50
Beijing Line 16 Phase II					After 2018		

\* From full line operation

#### Framework Agreement on R + P development projects in Beijing

In 2016, MTR Corporation signed a Cooperation Framework Agreement with Beijing Infrastructure Investment Corporation Limited ("BIIC", one of the partners in BJMTR) and BJMTR to conduct joint preliminary studies on the integrated development of selected existing station and depot sites along BJL4 and the Daxing Line. Studies have commenced, with a focus on an above-depot development. The Corporation also signed a Memorandum of Understanding ("MoU") with BIIC in January 2017 to extend the strategic co-operation to investment in, construction and operation of other railway projects, predominantly rail-related property development projects in Beijing.