

AsiaWorld-Expo Station

Tung Chung Cable Car

Sunny Bay Station

Disneyland Resort Station

Ngong Ping Theme Village

future Hong Kong projects

investing in a shared future





- > Construction of Disneyland Resort Line progressing well for completion in July 2005
- > Substantial progress achieved in construction of Tung Chung Cable Car
- > Discussions continue with the Government on South Island Line and West Island Line

We made further progress during 2004 on projects to expand our integrated rail-property infrastructure in Hong Kong and on enhancements designed to integrate our system more closely into the life of the community. In the process, the Company continued to engage in active dialogue with the full range of stakeholders to ensure that project plans are sensitive to the physical and social environments, while being economically sound.

Disneyland Resort Line

With the opening of the Hong Kong Disneyland scheduled for September 2005, MTR again worked assiduously to ensure on-time completion of the Disneyland Resort Line, formerly

known as the Penny's Bay Rail Link, which will connect the theme park with the MTR network.

Construction of the Tai Yam Teng Tunnel was completed in June. By year end architectural and builders works together with the installation of electrical and mechanical equipment were substantially completed for both Disneyland Resort Station and Sunny Bay Station, the interchange for the Tung Chung Line. Automatic platform gates have been installed and conversion of rolling stock completed, with trains scheduled to begin test runs in January 2005. As a result, the Company remains confident of meeting the target completion date of 1 July 2005.

Tung Chung Cable Car

The Tung Chung Cable Car project that will create a major new tourist attraction for Hong Kong achieved substantial progress during the year. Construction work began in February 2004. Mules imported from Canada to transport materials in an environmentally appropriate manner arrived in May 2004

Construction has begun on the Theme Village at Ngong Ping, part of the Tung Chung Cable Car development



and are now working in the Country Park. Construction of the terminals at Tung Chung and Ngong Ping is progressing well and by year end work had started on the Theme Village. Target completion of the project by early 2006 remains on track.

West Island Line and South Island Line

In January 2003, the Government requested MTR to proceed with planning for the West Island Line and South Island Line. In March 2004, following extensive consultations, MTR submitted revised proposals to the Government.

The proposals contain three elements: an extension of the high capacity Island Line to serve Western District; and two medium capacity lines to serve the south side of Hong Kong Island. One of the medium capacity lines would interchange with the Island Line at Admiralty Station and serve Ocean Park, Wong Chuk Hang and Ap Lei Chau. The other would interchange with the Island Line extension in Western District and serve locations such as Cyberport, Wah Fu and Aberdeen, terminating at the Wong Chuk Hang interchange station. Discussions continue with the Government on the scope and programme for these new lines.

Kwun Tong Line and Tseung Kwan O Line

In February, the Company also submitted to the Government proposals for an extension of the Kwun Tong Line from Yau Ma Tei Station to Whampoa Gardens, a popular residential area. The Company has invited proposals from consultants to start detailed design of Tseung Kwan O



Plans for the Ngong Ping Theme Village include shops, restaurants and museums

South Station, which is located within the future "Dream City" property development. The station will be completed in 2009 along with the completion of the first package of property development there.

Airport developments

Work proceeded on schedule for the new AsiaWorld-Expo Station at the end of AEL at Hong Kong International Airport that will serve the AsiaWorld-Expo. This new station is scheduled for completion by end 2005.

The Company continues discussions with the Airport Authority over plans to expand the facilities at Airport Station

to connect to the Authority's new Skyplaza development.

Pedestrianisation

Pedestrian links to MTR stations and enhanced pedestrianisation adjacent to stations continue to be an important strategy aimed at increasing patronage.

In January, developer funded construction began on the new Queensway subway that will connect the Three Pacific Place commercial centre with the Admiralty tunnel that runs between Admiralty Station and the Pacific Place complex. Scheduled for completion by the end of 2005, the subway will provide easy access to the MTR network from this high pedestrian traffic site.