

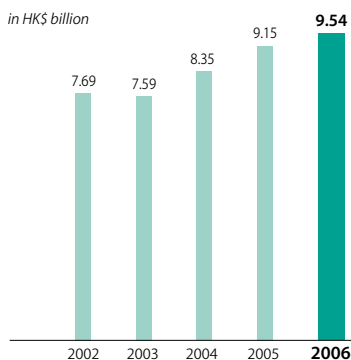
MTR Corporation at a glance

We adopt a "Rail and Property" business model whereby we work with developers to build key residential and commercial properties at stations and depots. We believe that an urban rail network creates a convenient living and commercial environment in which high quality communities can be developed, whose residents create patronage for the railway. This approach has been effective in developing and financing railways in Hong Kong and is now being emulated in other cities.

	Business description	2006 Highlights
Railway operations 	<p>We operate an urban rail network serving Hong Kong that stretches 91 kilometres with 53 stations and deploys over 1,000 rail cars. With average weekday patronage over 2.5 million, MTR is one of the most intensively used systems in the world, known for its reliability, safety and efficiency.</p>	<ul style="list-style-type: none"> Exceeded all Performance Requirements under the Operating Agreement and Customer Service Pledges Completed platform screen door retrofit Record customer satisfaction levels for service quality and fares Independently ranked as the best value for money and best customer service in public transport services
Station commercial and other businesses 	<p>We leverage our railway assets and expertise into additional businesses, including rental of station retail units, advertising in trains and stations, telecommunication income, rail consulting and the Ngong Ping Cable Car and related facilities. We have also developed the Octopus card in which we retain a majority shareholding.</p>	<ul style="list-style-type: none"> Ngong Ping 360 opened and well received Retail zones of 11 stations renovated, and 32 new shops built New advertising products such as Real Time Projection Zone, advertising train and 6-sheet scrolling advertising panels strengthened market positioning Expansion of plasma network with new content
Property business 	<p>We develop mainly residential properties, in conjunction with property developers. We own investment properties, mainly shopping centres and offices, and manage our properties and others. Our investment portfolio includes six shopping centres and 18 floors of the Two IFC office tower.</p>	<ul style="list-style-type: none"> Tender of Package Two of Tseung Kwan O Area 86 awarded to a subsidiary of Cheung Kong (Holdings) Ltd The Edge, our 70% owned and our sixth shopping centre, completed and opened for business Tender of Area 56 of Tseung Kwan O awarded in February 2007 to a subsidiary of Sun Hung Kai Properties Ltd Ginza Mall in Beijing opened in January 2007
Overseas growth 	<p>We continue our strategy to grow overseas by investing in urban rail networks in the Mainland of China, and pursuing "asset-light" operating contracts in European markets that are deregulated or opening to new entrants.</p>	<ul style="list-style-type: none"> Concession, lease and financing agreements for Beijing Metro Line 4 signed, and construction programme on target Preparation works for Shenzhen Metro Line 4 in progress Our partnership with Laing Rail for the London Rail Concession entered the Best and Final Offer bidding stage Our joint venture bid with Swedish railway company SJ for the Öresundståg concessions in Sweden and Denmark submitted

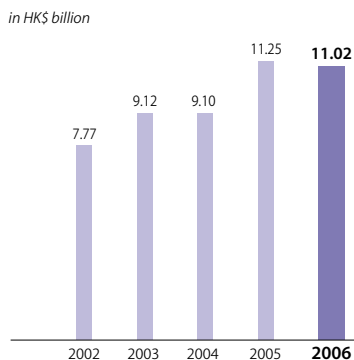
Turnover

in HK\$ billion



Operating profit before depreciation (after property development profit)

in HK\$ billion



Total assets

in HK\$ billion

