Hong Kong railway network to expand 56km by 2020
FORGING AHEAD INTO A BRIGHT FUTURE

New excavation techniques on West Island Line helped minimise noise and dust.

South Island Line (East) will cut travel time and traffic congestion.
We made good progress during the year on the five major projects now under way to extend our railway network in Hong Kong, namely the West Island Line, South Island Line (East), Kwun Tong Line Extension, Express Rail Link and Shatin to Central Link.

West Island Line
The West Island Line is a 3-km extension of the Island Line which is targeted for completion in 2014. When complete, it will reduce travel time from Kennedy Town to Sheung Wan to eight minutes. The project team has made every effort to integrate community views in order to preserve the local heritage and create opportunities for urban renewal.

All civil works contracts for this project were awarded by April 2010 and the civil infrastructure works for the Kennedy Town Swimming Pool (Phase 1) and the David Trench Rehabilitation Centre were substantially completed by the end of 2010. A pioneering feature of the project has been the use of electronic detonators with water as ballast to absorb the pressure from blasting to excavate the construction shaft at the King George V Memorial Park at Sai Ying Pun. This not only enabled the shaft excavation to be completed two months ahead of schedule but also reduced noise and dust impacts on the area to an absolute minimum.

South Island Line (East)
The 7-km South Island Line (East) will provide passenger service between Admiralty and South Horizons. Government published the gazette amendment for the scheme on 4 June 2010 and the project was authorised by the Executive Council on 30 November 2010. The Environmental Impact Assessment (EIA) Report was approved by the Environmental Protection Department (EPD) in October 2010, followed in December by the issue of the Environmental Permit.

The detailed design for the project has been substantially completed and procurement of four of the six major civil works contracts is in progress. Discussions with the public and other stakeholders are continuing.

Kwun Tong Line Extension
The 3-km Kwun Tong Line Extension will run from Yau Ma Tei Station on the Kwun Tong Line to the new Whampoa Station via the new Ho Man Tin Station, which will become an interchange station with the Shatin to Central Link. An amendment to the railway scheme was gazetted on 25 June 2010 and the project was authorised by the Executive Council on 30 November 2010.
2010. The EIA Report was approved by the EPD in August 2010, followed in September by the issue of the Environmental Permit. The detailed design for the project has been substantially completed and procurement of the civil construction contracts is now in progress.

Express Rail Link
The 26-km Express Rail Link will provide high speed cross-boundary rail services connecting Hong Kong to Shenzhen, Guangzhou and the Mainland of China’s high speed intercity passenger rail network.

Construction started in January 2010 and has made good progress, including diaphragm walls and piling works at the West Kowloon Terminus, with 80% of foundation work having been completed by year end. By October 2010, orders for all six tunnel boring machines had been placed and all ten tunnel contracts had been awarded. In November 2010, we conducted the first tunnel blast at the Shek Yam construction adit. Project completion is expected in 2015.

Shatin to Central Link
The Shatin to Central Link comprises two sections. An 11-km extension of the Ma On Shan Line from Tai Wai to Hung Hom will connect with the West Rail Line to form an East West corridor. A 6-km extension of the East Rail Line from Hung Hom to Hong Kong Island will become Hong Kong’s fourth rail harbour crossing to form a North South corridor. The Shatin to Central Link scheme was gazetted on 26 November 2010.

Further consultation has been undertaken with local communities and other stakeholders, including District Councils,
with a website set up as a mass communication platform to gather views for integration into the station designs and construction planning of the project. The detailed design for the Tai Wai to Hung Hom section is well under way and the preliminary designs for the E&M systems have been completed. Detailed design for the Hung Hom to Hong Kong Island section will commence in 2011. In order to preserve the scheme alignment for the cross harbour section, protection works are being incorporated in the Wan Chai Development Phase II and Central-Wan Chai Bypass projects which are currently under construction by Government.

Project Funding Model
The funding model for our five new Hong Kong rail projects will take different forms, each carefully designed for the project in question. The West Island Line, which will be owned by the Company, will use the capital grant model. An initial HK$400 million of this grant was received from Government in 2008 and the balance of HK$12,252 million was received in March 2010.

The South Island Line (East) and Kwun Tong Line Extension, both to be owned by the Company, will use our proven “Rail plus Property” model. Discussions continue with Government on the amount of property development rights required to ensure the viability of these two projects. For the South Island Line (East), the proposal to zone the Wong Chuk Hang site, which will be used for the depot, into a Comprehensive Development Area for integrated property development, was agreed by the Town Planning Board in June 2010. Formal approval under the Town Planning Ordinance is expected later in 2011. For the Kwun Tong Line Extension, it is proposed to use property development rights above Ho Man Tin Station to bridge the funding gap.

The “Service Concession” model will be adopted for the Express Rail Link and Shatin to Central Link. Under this model, Government will pay all the capital cost of the line, with the Company being responsible for operations, maintenance and asset renewals and replacement. The Finance Committee of the Legislative Council approved the funding of HK$66.9 billion (in money-of-the-day prices) for construction of both railway and non-railway works of the Express Rail Link on 16 January 2010.
Under the Entrustment Agreement signed with Government on 26 January 2010, we are responsible for the planning, design, construction, testing and commissioning of the Express Rail Link, for which the Company will be paid a total project management fee of HK$4,590 million. Furthermore, there is the understanding that Government will invite the Company to undertake the operations of the railway after its completion. The operational requirements and operational business model of the Express Rail Link are under active discussion with Government and Mainland entities. For the Shatin to Central Link, we continue further planning and design work funded by Government under an Entrustment Agreement signed in November 2008. On 18 February 2011, the advanced funding for the construction of the Shatin to Central Link’s share of Admiralty Station and Ho Man Tin Station was approved by the Finance Committee of Legislative Council.

### Hong Kong Network Expansion at a Glance

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A new 20,000 sq.m Admiralty Station will interconnect four existing and future MTR lines.